PARLIAMENTARY DEBATES

(HANSARD)

SIXTH SERIES—VOLUME 479 (Part 1)

HOUSE OF COMMONS

OFFICIAL REPORT

THIRD SESSION OF THE FIFTY-FOURTH PARLIAMENT
OF THE UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
FIFTY-SEVENTH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SESSION 2007–2008

COMPRISING PERIOD
14 July 2008—6 October 2008

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14 July 2008

THE
PARLIAMENTARY DEBATES
OFFICIAL REPORT

IN THE THIRD SESSION OF THE FIFTY-FOURTH PARLIAMENT OF THE
UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
[WHICH OPENED 11 MAY 2005]

FIFTY-SEVENTH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SIXTH SERIES **VOLUME 479**

THIRTEENTH VOLUME OF SESSION 2007-2008

House of Commons

Monday 14 July 2008

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

HOME DEPARTMENT

The Secretary of State was asked—

Police Patrols

1. **Sir Nicholas Winterton** (Macclesfield) (Con): What plans she has to increase the proportion of working time that police officers spend on patrol. [218087]

The Secretary of State for the Home Department (Jacqui Smith): Since April, there has been a neighbourhood policing team in every area. Investment in more officers and police community support officers and in new technology such as mobile data devices, and the implementation of Sir Ronnie Flanagan's recommendations to reduce bureaucracy further, are ensuring an even more visible and reassuring police presence across the country.

Sir Nicholas Winterton: I am grateful to the Home Secretary for that reply. Is she aware that last year police officers spent the equivalent of 25 years filling in controversial stop forms? I hope that she will comment on that statistic. Is she also aware that the latest figures show that patrol officers are so burdened by form filling and paperwork that they are forced to spend exactly the same amount of time on paperwork in an office as they do out on patrol? Should that not be stopped? We want the police on the beat, doing the job that the public expect them to do.

Jacqui Smith: I wholeheartedly agree with the hon. Gentleman's last comment. I am sure that he will be pleased to know that the most recent figures suggest that officer time on front-line duties has increased in Cheshire. He referred to the stop and account form; as he knows, I have agreed with Sir Ronnie Flanagan that that form will be scrapped.

Mr. Denis MacShane (Rotherham) (Lab): Is my right hon. Friend aware that those driving on to the main roundabout at Rotherham can see a big sign saying "1,200 fewer crimes than last year"? I do not know whether the police or the council put it up, but that is cheerful news. There are a lot more police uniforms on the street and there is a dynamic, younger leadership in the town. As the leader in *The Times* said well today, such news contrasts with the depiction of Britain as a broken, crime-ridden society where nobody dare walk the streets. The Leader of the Opposition is doing grave damage to our nation.

Jacqui Smith: I agree with my right hon. Friend. Police forces and their partners throughout the country are doing sterling work in helping to bring down crime. That work needs to be recognised, to build confidence in our communities. He is right on another point. Those who say such things about Britain do a disservice to this country and to the efforts of the many police officers, community organisations and others who are working hard to bring crime down even further.

Mr. James Clappison (Hertsmere) (Con): Among other things, we need more police patrols to detect knife crime. However, do not police patrols and detection need to be backed up by effective penalties? On 4 August, new magistrates courts sentencing guidelines will deem that a fine is an adequate sentence for possessing a knife. Will Ministers seek the withdrawal of those flawed and inadequate guidelines? If Ministers themselves express no confidence in the guidelines, how can the public have any confidence in—

Mr. Speaker: Order.

Jacqui Smith: The sentencing guidelines make it clear, as just the new Lord Chief Justice Sir Igor Judge has done, that knife crime is a serious crime that in many cases should result in custody. Of course, someone who is convicted is now three times more likely to end up in custody for possession of a knife and more likely to receive a longer custodial sentence. We are taking tougher action, both on sentences and on making sure that people are caught for possession or use of knives in the first place.

Andrew Mackinlay (Thurrock) (Lab): Will my right hon. Friend have further discussions with the Secretary of State for Transport with a view to ending the disparity of provision between Home Office forces and the British Transport police? There is a disparity of provision among railway lines and stations. Sometimes, the Home Office forces cover railway stations but the British Transport police do not. There is not a comprehensive, coherent approach to the issue. I urge her to look at it again and probe, and not to be fobbed off by chief constables. The provision is inadequate and patchy.

Jacqui Smith: We certainly talk frequently, and we talk to ministerial colleagues. The BTP are working hard—particularly, as my hon. Friend says, in London, alongside the Metropolitan police—to make sure that there is proper coverage and security in our transport system. My hon. Friend is right to say that we always need to keep the issue under review. We need to make sure that police forces talk to each other about how they can best keep the travelling public safe.

Mr. David Ruffley (Bury St. Edmunds) (Con): Home Office figures show that in the past three years the proportion of officer time spent on patrol has fallen from the already low 19.1 per cent. to 17.1 per cent. Does the Secretary of State think that that has in any way contributed to rising knife crime?

Jacqui Smith: No, I do not. As I emphasised to the hon. Member for Macclesfield (Sir Nicholas Winterton), the figures have identified a reduction in the time being spent on paperwork. There is investment in new technology—for example, the £50 million that is being turned into 10,000 mobile data devices to enable police officers to stay out on the streets instead of having to return to the police station. The additional number of police officers, supported by police community support officers and other staff, means that we have a more visible, more reassuring police force than we have had before and that police officers are able to spend their time doing the things that make a difference to the public. I commend them for their efforts in doing that.

Jeff Ennis (Barnsley, East and Mexborough) (Lab): The Home Secretary said that some police forces are now making use of hand-held devices to keep bobbies on the beat. What impact are those trials having on the issue?

Jacqui Smith: We are in relatively early days in terms of spending the £50 million and translating it into the 10,000 hand-held devices. When I speak to police officers who are using the devices, they say that they are helping them to get information more quickly about people whom they are stopping. Information can be entered there and then, which means that they do not have to return to the station. That means that there is more efficiency in catching and tracking people whom the police might be stopping in the streets and gives more time for them to be visibly out on patrol. That is why the devices are being welcomed. This is investment that the Government have been willing to put into ensuring that our police services have all the tools that they need to protect the public.

Alcohol-induced Crime

2. **Mr. Adam Holloway** (Gravesham) (Con): What recent assessment she has made of the effectiveness of measures to combat alcohol-induced crime. [218088]

5. **Mr. David Evennett** (Bexleyheath and Crayford) (Con): What recent assessment she has made of the effectiveness of measures to combat alcohol-induced crime. [218091]

The Parliamentary Under-Secretary of State for the Home Department (Mr. Vernon Coaker): The Government have made a number of such assessments, most recently the assessment of the impact of the Licensing Act 2003 on levels of crime and disorder, which shows that the overall volume of incidents involving crime and disorder remains unchanged, while there were signs that crimes involving serious violence may have reduced.

Mr. Holloway: What difference do these measures make if so-called low-level antisocial behaviour, including children drinking, is often now under the police radar?

Mr. Coaker: With respect to the hon. Gentleman, if one looks at what police forces across the country are doing, one cannot say that tackling under-age drinking is below the police radar. In fact, many police forces are working with local authorities and others and taking relavent action to combat the serious issue of children drinking in public. Indeed, he will have seen the youth alcohol action plan, which details further measures that the Government intend to take with regard to this issue.

Mr. Evennett: The Government argued in 2005 that the Licensing Act 2003 gave police

> "unprecedented powers to crack down on alcohol-fuelled violence".

Given that the Home Office figures show that alcohol-related violence has increased by a quarter during the hours between 3 am and 6 am, does the Minister believe that the Act is failing in one of its key objectives?

Mr. Coaker: The hon. Gentleman selects the statistics that he uses very carefully. In quoting from that report, I wonder why he did not quote the fact that serious violent crime fell by 10 per cent. at all times and by 5 per cent. between 6 pm and 6 am. If he is asking me whether I want the powers in the Act to be used more robustly and widely, I agree with that view. The powers are there to shut places that are selling to the under-aged or are associated with disorder, and it is fair to say that we would all like them to be used more than they are at the present time.

Mr. David Hamilton (Midlothian) (Lab): Will my hon. Friend give an assurance that he will not consider the proposal that is being discussed in the north of Scotland whereby people under the age of 21 should not be allowed to buy alcohol from grocers? Surely the answer to the question is that if soldiers were able to come back from a war but unable to buy a drink in a grocer's shop, that would be absolutely outrageous. This should be dealt with by the existing licensing boards, which should ensure that no one is allowed to buy drink under age and that those who make such sales should have their licences taken away.

Mr. Coaker: My hon. Friend makes an important point. We have no intention anywhere where we have powers of changing anything to do with the age at which people are entitled to drink, namely 18. He makes that point that we would all make: we want the people who break the law to be targeted, whether it be the retailers who sell to the under-aged or individuals who use alcohol as an excuse for violence or disorder. The priority for all of us should be to target the issue, not to try to come up with other laws that impact on the law-abiding majority as well.

Helen Jones (Warrington, North) (Lab): My hon. Friend will remember that when we debated this matter in Westminster Hall, we touched on the role of the major supermarkets and other retailers in selling discounted alcohol. While the police in Warrington are taking a proactive stance in cracking down on alcohol-related crime, many people are drunk before they go out for the evening on cheap alcohol obtained from supermarkets. Has he had any further discussions with the supermarkets on the matter?

Mr. Coaker: My hon. Friend raises an important point. We have had discussions with supermarkets and with colleagues across Government on what we do about the issue of "pre-loading"—using cheap beer and spirits from supermarkets to avoid the expense of going out. It is a serious issue, and we are having discussions on what to do about it. We are waiting for a review led by the Department of Health on prices and promotions; when it comes forward, we will take the appropriate action.

Mr. Andrew Robathan (Blaby) (Con): "Tough on crime, tough on the causes of crime" was a great new Labour slogan, but it does not seem that the Government have been very tough on alcohol-fuelled crime. Has the Minister seen the comments of Sir Alan Steer, Government adviser and headmaster, who said today that alcohol is more of a problem in schools than drugs, and that alcohol is driving the increase in knife crime? What has the Minister got to say to that, and could he explain the shambolic position of the Government, announced today and yesterday, on knife crime?

Mr. Coaker: The hon. Gentleman quoted Sir Alan Steer, so he should have found that Sir Alan also said that the vast majority of young people in our schools are well behaved. That gives me the chance to say that whatever we say about the minority of young people who cause disorder on our streets, the majority of young people are decent. The hon. Gentleman talks about what happens in schools, and alcohol is an issue there. As someone who taught adult education in school, I say to him that we should ask not why alcohol education does not take place in schools, because it does, but what effective alcohol education is. In other words, what sort of education could take place in schools that would make a real difference? As to his remarks about—

Mr. Speaker: Order.

Kelvin Hopkins (Luton, North) (Lab): Has my hon. Friend looked at stricter controls on alcohol consumption in other countries, and the effects of those controls? In the United States of America, the minimum age for drinking is much higher than in Britain, and street disorder is much lower. Would he look seriously at that possibility?

Mr. Coaker: We are looking at the possibility of raising the legal age for drinkers, but we very much agree with the points of my hon. Friend the Member for Midlothian (Mr. Hamilton). The issue is to tackle associated problems with respect to alcohol, whether they involve retailers selling to those who are under age, or those who use alcohol as an excuse for violence or disorder. We need to tackle those problems. I think that the law is right; we need to ensure that we do better on the implementation of the law.

James Brokenshire (Hornchurch) (Con): Increasingly, drunk and disorderly offences are being dealt with by fixed penalty tickets, with the pilot to extend penalty notices to children aged between 10 and 15 having been completed, according to the Government, in July 2006. But despite the fact that it was said that this scheme would not be adopted until the pilot had been evaluated, three of the police forces involved are still issuing penalty tickets to children because, in the words of one of them,

"instruction from the Home Office to cease has not been received".

Can the Minister confirm whether this pilot has finished, and whether the 6,000 tickets given to children in the past two years have been issued validly?

Mr. Coaker: Yes, they have been issued validly, and we are currently evaluating the pilots that the hon. Gentleman mentioned. The use of penalty tickets is an effective, low-level and considered way of dealing with the sorts of disorder—alcohol-related or not—that he mentions. Far from being bureaucratic, it saves police time and keeps them on the streets.

Compulsory DNA Database

4. **Mr. Gordon Prentice** (Pendle) (Lab): If she will estimate the cost of setting up a compulsory DNA database with samples taken from every UK resident. [218090]

The Parliamentary Under-Secretary of State for the Home Department (Meg Hillier): Taking DNA from all permanent residents of the UK would mean sampling at least 56 million people. The laboratory costs of processing that alone would be more than £1 billion, without even adding the costs to the police of running a larger database. The Home Office and the Government have no plans to introduce a compulsory DNA database.

Mr. Prentice: That is cheaper than ID cards. Am I the only Labour Member who thinks it is scandalous that the DNA of innocent people can be held on the DNA database? Why do not Ministers follow the logic of their position, regardless of the cost, and ask for swabs from every individual in the land and see what reaction it generates?

Meg Hillier: I would not want to characterise my hon. Friend's contributions in the House, but the phrase "regardless of cost" says quite a great deal. Ministers have to balance cost with practical reality. I stress that the fact that someone is on the database does not mean that they have a criminal record and does not confer any disadvantage or slight on the individual. The fact that someone is on the database comes to light only if a DNA sample is recovered from a crime scene.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): May I support what the hon. Member for Pendle (Gordon Prentice) just said? As one who practises in the criminal courts I know that DNA is one of the most important deterrents as well as being one of the detective instruments. It is perfectly true that there are serious issues about cost and practicality, and they must be reflected upon, as must the civil liberties argument, but I hope that the Minister will not automatically shut down the argument; there is more merit in it than she allows.

Meg Hillier: One of the groups established shortly after I began this job just over a year ago was the DNA ethics group. It will publish its annual report next week and I look forward to using it and other issues, including questions in the House, to have a further debate about the importance of DNA in our criminal justice system.

Mr. Russell Brown (Dumfries and Galloway) (Lab): Can the Minister tell the House how many crimes would have gone unsolved if the DNA of those arrested but not charged had not been retained on the database?

Meg Hillier: There would have been a number of cases where people were arrested but not proceeded against. Matches in crime scenes since December 2005 alone reveal more than 3,000 offences, including 37 murders, 16 attempted murders and 90 rapes.

Damian Green (Ashford) (Con): It is significant that the Minister's first defence of this policy was based on cost, suggesting that, in principle, she would be quite happy to take DNA swabs from everyone in this country. The problem with the DNA database is that thousands of completely innocent people are on it, including 100,000 under-18s, yet thousands more who have committed serious crimes are not on it. Will she commit the Government to doing much better to ensure that the DNA of those most likely to commit crimes is captured? Otherwise it will continue to appear that the Government are interested more in blanket surveillance than in protecting the public.

Meg Hillier: I cannot quite believe the torrent of misinformation from the hon. Gentleman. Let us be clear: more than 87 per cent. of under-18s who had their DNA taken were charged, convicted, cautioned or given a final warning, and only 12.8 per cent. were not. That reflects the reality with regard to under-18s. Other countries are looking closely at Britain's protocols and processes. The US Department of Justice has conducted research into the British system and speaks of the "success of this strategy". The hon. Gentleman massively twisted my words about costs. It is right that we balance cost, but there is no Government policy for a compulsory DNA database.

Domestic Violence Courts

7. **Dr. Phyllis Starkey** (Milton Keynes, South-West) (Lab): If she will make a statement on the introduction of specialist domestic violence courts. [218093]

The Parliamentary Under-Secretary of State for the Home Department (Mr. Vernon Coaker): The tackling violence action plan committed the Government to doubling the number of specialist domestic violence courts to 128 by 2011. In April this year, the number accredited by the cross-government criminal justice system national programme had increased to 98, with further expansion planned later this year.

Dr. Starkey: I am pleased that one of the special courts is in Milton Keynes, because dealing with domestic violence is a high priority for the community safety partnership in Milton Keynes. However, I should like to deal with what is available for individuals who may have committed acts of domestic violence, but have not been charged by the police or convicted, and who may wish to undergo voluntary counselling or training to help them deal with their offending behaviour. Relate Milton Keynes is developing such courses. Does my hon. Friend think that the community safety partnerships should consider funding such courses?

Mr. Coaker: The idea of perpetrators voluntarily coming forward to seek help for their problem is an excellent one, and I would certainly encourage the CSP in Milton Keynes to support that initiative. My hon. Friend might also like to know that the Home Office part-funds the Respect phone line, which gives perpetrators the opportunity to phone in and seek advice prior to any charging or conviction that may occur. That is an important area of work, and we would encourage local authorities and voluntary organisations, not only in Milton Keynes but throughout the country, to look at it.

Mr. Mike Hancock (Portsmouth, South) (LD): I welcome the suggestion that further work be done on domestic violence courts, but will the Minister also consider a domestic violence court for those dealing with immigration matters? A number of women who have come to this country for partnership and marriage, but who have been subjected to domestic violence and other abuse, have subsequently had their appeals turned down, yet without the domestic violence element being taken into consideration. Such women are simply abandoned to the system, which takes no account whatever of the abuse that they have suffered during their time in this country.

Mr. Coaker: If that is a serious problem, I will look into it, but my understanding from the sorts of comments that the hon. Gentleman has made was that it would be taken into account. However, I will have a look at the point that he makes and ensure that if there is a problem with respect to it, it is taken into account.

Mrs. Madeleine Moon (Bridgend) (Lab): We know that a woman who suffers from domestic violence will often have been abused more than 30 times before she makes a complaint or the problem ever reaches court. Under the policy in Tasmania, as soon as the police are notified of an incident of domestic violence, the perpetrator is removed from the home until the case reaches court, and there is training and provision for anger management. Is that something that my hon. Friend has looked at?

Mr. Coaker: We have looked at a range of measures that we should adopt with respect to perpetrators, in order to try to remove them from the scene of their domestic violence and protect the victim. Of course, the most important thing is to try to ensure that victims come forward, because we know that domestic violence is a crime that takes place behind closed doors. One of the most significant problems is giving victims the confidence to come forward and report incident to the police, and to believe that they will be sympathetically dealt with. However, the suggestion that my hon. Friend makes is another one that we can look at.

Community Police Officers (Halifax)

8. **Mrs. Linda Riordan** (Halifax) (Lab/Co-op): How many community police officers there are in Halifax; and if she will make a statement. [218094]

The Minister for Security, Counter-Terrorism, Crime and Policing (Mr. Tony McNulty): There are 381 police officers working in the Calderdale basic command unit, which covers Halifax. Of those, 12 police sergeants, 68 police constables and 52 police community support officers operate in the four neighbourhood policing teams that serve the same area.

Mrs. Riordan: I congratulate my local police force on its ambitious initiatives to tackle crime and antisocial behaviour by rotating the officers' shift patterns to increase the amount of time available to serve the local community. However, will the Minister tell me what plans are in place to increase the number of officers, as opposed to the time that they work?

Mr. McNulty: As I have said on many other occasions, we think that the settled number of around 140,000 police officers and 16,000 PCSOs is about right for England and Wales. Our task now, as others have intimated during these questions, is to get those officers, supported by the PCSOs, out on the streets and policing far more readily than they have up to now. That is what drives me and my right hon. Friend the Home Secretary.

Police Service (Public Accountability)

9. **Mr. Mark Harper** (Forest of Dean) (Con): What recent representations she has received on improving the public accountability of the police service. [218095]

The Secretary of State for the Home Department (Jacqui Smith): Following the reviews of policing and community safety by Sir Ronnie Flanagan and Louise Casey, I have received representations from the Association of Chief Police Officers and the Association of Police Authorities, among others, on many issues, including police accountability. I intend to publish a Green Paper that will set out, among other reforms, proposals to provide the public with a clear and powerful voice in police decision making through directly elected members of police authorities.

Mr. Harper: I am grateful to the Home Secretary for that answer. I was dispirited to see from leaks in the papers about the forthcoming Green Paper that the Government were once again trying to put police force mergers back on the agenda. We battled hard in the south-west to see them off last year and we were ably led by our chief constable, Tim Brain. I hope that the Home Secretary will take the opportunity today to say that the Government have no intention, whether directly or through funding mechanisms, to force such proposals through. She might also take the opportunity to congratulate our chief constable in Gloucestershire on the recent award of his OBE.

Jacqui Smith: I certainly accept the hon. Gentleman's invitation to congratulate Chief Constable Brain on the award of his OBE. I am sure that it is well deserved, not least because the chief constable struggled extremely effectively with the impact of the floods a year ago. He also serves us well as a very effective lead on finance at the Association of Chief Police Officers.

I think that I can give the hon. Gentleman the reassurance that he is looking for with respect to mergers. It is not our intention—in the Green Paper or anywhere else—to force through mergers. Of course, that does not, as my right hon. Friend the Minister for Security, Counter-Terrorism, Crime and Policing said, mean that we would not support forces that came to us with plans for voluntary mergers.

Mr. Brian Jenkins (Tamworth) (Lab): My right hon. Friend will be well aware of the work done by people such as Inspector Ian Coxhead in Tamworth in leading neighbourhood teams. Inspector Coxhead regularly meets members of the public at the police and community trust partnerships and he takes accountability very seriously, because it meets real people's real concerns on a day-to-day basis. Is not that model of police accountability not the one that we should adopt? It takes these issues upwards, in contrast to the downward model, which has failed for so many years.

Jacqui Smith: My hon. Friend makes an important point, and I pay tribute to the police officer he was talking about. Increasingly, as we have neighbourhood policing teams in every community, we also have regular Police and Communities Together meetings. There are also other ways in which local people can feed their priorities into the work of local policing teams, and the success of that can be reflected back to them. I want us to build on that approach even further. We will also want to say more in the policing Green Paper about the good practice that my hon. Friend referred to.

Mr. Graham Stuart (Beverley and Holderness) (Con): Is it not clear that only directly elected police commissioners can give us the transparency and accountability that policing in this country needs? Is it not also clear that police authorities—beefed up and given additional resources, including perhaps a couple of elected members—will not provide the transparency that people in the East Riding and throughout the country demand from their police forces?

Jacqui Smith: No, I do not believe that it is clear that one elected representative who is distant from their local community is the best way to achieve the visible and responsive policing that we want.

Anne Snelgrove (South Swindon) (Lab): Will my right hon. Friend reject the policy of making police into politicians? Some Opposition Members love calling unnecessary and expensive by-elections, but does she agree that public accountability is much better served by seeing police on the beat, with good funding and leadership from the Government, not by gimmicks?

Jacqui Smith: I agree with my hon. Friend, although I look forward to welcoming back friends who have been absent over the past month or so. My hon. Friend makes an important point. Answerability and accountability start at the neighbourhood; they start with the investment that the Government have put in and the reform that police forces have introduced to deliver neighbourhood policing teams in every community that have the ability, through local meetings and talking directly to members of the public, to allow local people's priorities to be fed into what happens locally. That is supported by the proposals that we will put forward in the Green Paper to enable directly elected voices on police authorities to make sure that local priorities can also be reflected at a strategic level in each police force.

Mr. Edward Timpson (Crewe and Nantwich) (Con): Does the Secretary of State agree that the recent experience of one of my constituents in Crewe, whose complaint to the Independent Police Complaints Commission has been bounced from one case officer to another and has suffocated under the weight of bureaucracy, is a cause for concern? Would it not be sensible to assign any complaint to one office and one case officer to ensure that such things are not repeated and such cases are not lost under the weight of bureaucracy? If we did that, the process would become more democratic and the police would become more accountable.

Jacqui Smith: If I understand the hon. Gentleman rightly, he is talking about a complaint to the Independent Police Complaints Commission. If he has not already taken up his concern with the chief executive, I would be perfectly willing to do so for him.

Gurkhas

10. **Bob Russell** (Colchester) (LD): What recent consideration she has given to granting leave to remain in the UK to former Gurkha soldiers who left the British Army before 1997. [218096]

The Minister for Borders and Immigration (Mr. Liam Byrne): The Government fully recognise the proud tradition of loyal service that the Gurkhas have given over the past 200 years. Any Gurkha who has completed at least four years' service in the British Army and was discharged on or after 1 July 1997 is able to apply for permanent residence within two years of their discharge. Applications from Gurkhas discharged before 1 July 1997 are considered on a case-by-case basis.

Bob Russell: The Government, having accepted the principle that former Gurkhas who left after 1997 should be allowed to remain in the UK, should take this small further step, which would be a giant step for the Gurkhas concerned. There is a lot of affection for the Gurkhas, so a small gesture, with support across the House and across the country, would be greatly appreciated by many people.

Mr. Byrne: I think the whole House would empathise with the sentiments underlying the hon. Gentleman's question. As I said, however, after 1997 any Gurkha who has served for four years is able to apply for permanent residence, but the year of 1997 remains central to the debate. It was, of course, after the handover of Hong Kong in 1997 that Gurkhas could anticipate a period of service in the UK; before 1997, that was extremely unlikely, so the difference in approach remains important. We are using 1997 as a dividing line, but we are taking a more nuanced approach, involving consideration of individual circumstances—including ties to the UK, but also the contribution to this country—in respect of Gurkhas who retired from the armed forces before the handover of Hong Kong.

Violent Crime

11. **David Taylor** (North-West Leicestershire) (Lab/Co-op): How many violent crimes were recorded in England in (a) 1987, (b) 1997 and (c) 2007. [218098]

The Parliamentary Under-Secretary of State for the Home Department (Mr. Vernon Coaker): The figures are not directly comparable as there have been major changes in the way violent crime is recorded. The term "violence against the person" rather than "violent crime" is now used. There were 132,942 offences recorded by the police in England in 1987; 233,441 offences in 1997; and 976,638 offences in 2006-07.

David Taylor: Despite the disgraceful and dishonest millionaire-funded Tory leaflets going out in marginal seats stating that violent crime has doubled under Labour, the British crime survey suggests that it has come down by a third since 1997 and that knives were used in an unchanged 8 per cent. of cases. Will the Minister tell us what he plans to do with teenagers in the soulless wastes of this city who carry knives out of fear and desperation or because they believe that it generates respect, when all that it produces is a tragic reduction in the average age of homicide victims?

Mr. Coaker: My hon. Friend is right to point to the British crime survey figures, which show a reduction in violent crime of more than a third. Notwithstanding that fact, what we are doing in respect of violent crime in London and elsewhere is to ensure that we have a tough enforcement approach in which we support the police and that we have prevention and diversion schemes alongside it. We know that if we are going to solve this problem, it is not just a matter of increasing the sentences available to the authorities and tough enforcement of the law, but of working with communities. As my hon. Friend points out, it is also about trying to change the culture among some young people who seem to find knife-carrying acceptable.

Bob Spink (Castle Point) (UKIP): Does the Minister recall the "knives or lives" petition signed by 25,000 people and calling for tougher sentences, which I presented to the House last year? Will he accept the congratulations of the mothers who organised that petition on the action that his Government are going to take to toughen sentences?

Mr. Coaker: I thank the hon. Gentleman for that point. I remember the petition that he presented, and he is quite right to highlight the tougher sentences made available to the courts. The maximum sentence available for possession has increased from two to four years and changes in the presumption to prosecute have been made, as it has been extended to 16 and 17-year-olds. It is quite right to say that tough enforcement of the law is one part of the solution to the problem of knife and other violent crimes, as people have to be made to realise that there will be consequences to their actions.

Chris Bryant (Rhondda) (Lab): If three people violently assaulted someone and one of them then pulled a knife, stabbed the person and killed him or her, that person might be found guilty of murder. Because of the rules on complicity, however, the accomplices would almost certainly get away with much lower sentences and a lower-ranking crime. Is it not time we changed the law on homicide and adopted a much tougher approach to complicity?

Mr. Coaker: Of course we must always keep the various laws under review, including those relating to homicide. I am sure that Justice Ministers will give careful consideration to what my hon. Friend has said. Our most important task at the moment is to reduce the rate at which knife crime and other homicides are occurring, which includes tough enforcement of the law, prevention and diversion; but, as I have said, we must also review the existing laws to establish whether they are still appropriate.

Alcohol-related Disorder (Young People)

12. **John Mann** (Bassetlaw) (Lab): What plans she has for improving engagement with the parents of young people involved in alcohol-related disorder. [218099]

The Parliamentary Under-Secretary of State for the Home Department (Mr. Vernon Coaker): The Government recently published their youth alcohol action plan, which sets out a new tiered approach to tackle young people consuming alcohol in public places. All tiers will closely involve parents to prevent an escalation of problems. However, when young people are creating serious problems for their communities, we will also address the behaviour of parents through parenting contracts and parenting orders.

John Mann: I hope that the Minister will pay particular attention to the recommendation of the Bassetlaw young people's alcohol panel, which was presented to the Home Secretary last week. Does he agree that it is vital to take account of the views of young people themselves about how problems such as alcohol and, indeed, knife crime can be solved?

Mr. Coaker: I know that, along with my right hon. Friend the Home Secretary, my hon. Friend has met young people to present his findings. I also had the privilege of meeting young people in his constituency a few months ago to discuss the issues with them. He is right to stress the importance of involving young people in the search for solutions to alcohol-linked and other crimes. The Government are already considering some of the points that they have made, and intend to deal with others. For instance, we strongly support the idea of making parents take more responsibility for their children when they act in antisocial and, indeed, criminal ways. We will take account of the reports from my hon. Friend and the young people in his constituency in determining our policy.

Anne Main (St. Albans) (Con): My constituency is experiencing significant problems involving young people drinking alcohol in public places, often hidden in drinks such as orange juice. They obtain their alcohol from small shops and off-licences. Will the Home Secretary consider much tougher penalties for those who dispense alcohol to young people, and bear in mind the fact that the "pile it high, sell it cheap" method of selling alcohol, rather than the existence of licensed premises, is the root of the problem?

Mr. Coaker: The hon. Lady has made an important point. As she will know, we have conducted a number of campaigns against the sale of alcohol to the under-age, involving action against retailers. She will have noted that over the years the proportion of small retailers who fail the test has fallen from about 50 to 15 per cent. However, we are aware that we need to take further action against retailers, and I want all local authorities to use the powers that are available to them.

No doubt the hon. Lady will support the change in the law to which my right hon. Friend the Home Secretary referred recently when we announced the youth alcohol action plan, which includes a new offence of persistent possession of alcohol in public by young people.

Immigration Rules (Students)

14. **Peter Luff** (Mid-Worcestershire) (Con): What plans she has to amend the immigration rules in relation to students undertaking temporary work in the UK; and if she will make a statement. [218101]

The Minister for Borders and Immigration (Mr. Liam Byrne): The Government's new points system is now being introduced. It replaces some 80 different routes into the United Kingdom with just four. The final stage is the student route, and during the summer I will publish a statement of intent explaining in detail how it and other routes will work.

Peter Luff: The Minister will know that he and I have an honest disagreement on the role of the seasonal agricultural workers scheme in respect of agricultural students coming here to work, which I believe is essential for the future of British growing, but which he does not. May I have the meeting with him or one of his colleagues in the Home Office that I asked for in a letter to the Home Secretary more than a month ago to explore this important question, which I think threatens British food security apart from anything else?

Mr. Byrne: I would be happy to have that meeting. As the hon. Gentleman says, we have an honest disagreement about whether, in my words, we should relax immigration control in eastern Europe and make it easier for people from east Europe to enter and work in the UK. I think we should toughen the system so that it is impossible for low-skilled migration to come in from outside the EU, but I recognise that there will be labour market issues that we will need to confront, which is why I would be happy to have that meeting. I do not anticipate restrictions in the student route being so draconian that overseas students cease to be a source of labour for the agricultural industry or others, but perhaps we should schedule that meeting on the back of that statement of intent, when it is published.

Topical Questions

T1. [218112] **Mrs. Madeleine Moon** (Bridgend) (Lab): If she will make a statement on her departmental responsibilities.

The Secretary of State for the Home Department (Jacqui Smith): My Department is responsible for helping people to feel secure in their homes and local communities. Recent fatal incidents highlight the tragedy of knife crime, which we are determined to tackle. That is why I announced the establishment of a new national knife crime programme to focus action in eight police force areas. The work, being led by Deputy Assistant Commissioner Alf Hitchcock, will include stepping up targeted stop-and-search operations, a tough approach to reviewing the licences of bars and clubs where there is violence, working with accident and emergency departments to improve information sharing, and providing knife referral schemes for young people convicted of knife-carrying so that they understand the full consequences of their actions.

Mrs. Moon: I thank my right hon. Friend for that reply, but what reassurance can I take back to my constituents in Bridgend that this media-generated plague of knife crime is not necessarily taking place across the UK, but that there are specific areas that have serious problems that the Government and police are tackling while other areas remain relatively safe in respect of knife crime?

Jacqui Smith: My hon. Friend is absolutely right, and she and her constituents can be further reassured by the fact that violence against the person recorded in the Bridgend crime and disorder reduction partnership area fell by 12 per cent. over the last year. It is because we need to focus on those areas where knife crime is a particular issue that I have asked DAC Hitchcock to focus the knife crime programme in those police force areas where we need to make the most difference and where knife crime is, understandably a concern for people both locally and nationally.

T2. [218113] **Mr. David Evennett** (Bexleyheath and Crayford) (Con): The impact of knife crime has been felt all across the country, including in my borough of Bexley where, tragically, there have been three murders involving knives during the course of this year. Is the Secretary of State aware that my constituents feel that her comments at the weekend show that she is rather out of touch with what the public want? What they really want is to have the police on the beat, and for them to be more freed from paperwork and restrictions so that they can spend more time catching the perpetrators of knife crime.

Jacqui Smith: And that is precisely what the hon. Gentleman's constituents are getting with neighbourhood policing teams in every area; the Flanagan review recommendations, which the Government are putting into operation; and more mobile data machines so that the police can stay out on the beat. However, I believe that they also want the investment that the Government have put into providing the knife arches and search wands and other tools for the police to use to collect knives and catch those carrying them. They also want the investment that we have put into sending a very strong message to young people that carrying a knife does not make them safer, but makes them more likely to have that knife used against them or use it against somebody else, with all the tragic consequences that brings. There is not one simple answer to this, which is why we have a wide-ranging strategy to tackle knife crime including, as the hon. Gentleman rightly says, ensuring that there are police officers and police community support officers visible on our streets, and I hope he will support the development of neighbourhood policing.

T5. [218116] **Paul Flynn** (Newport, West) (Lab): Last week, many of my constituents were alarmed at a rumour that had been put out of a secret Government plan to close the local passport office in Newport. I do not ask the Minister to give me information about a configuration that has not yet been completed, but does she agree that spreading rumours of that kind is simply irresponsible, alarmist scaremongering?

The Parliamentary Under-Secretary of State for the Home Department (Meg Hillier): I agree with my hon. Friend, and I can reassure him that there are no plans to close the Newport passport office.

Mr. Dominic Grieve (Beaconsfield) (Con): The Home Secretary trailed in the media on Saturday her plans to force knife offenders to confront victims face to face in hospitals, and the Prime Minister announced them this morning. What prior estimate did the Home Office make of the measure's impact on reoffending rates and of its viability? Is it correct, as is now being trailed on Sky News, that this aspect of the Government's policy has already been abandoned?

Jacqui Smith: No, it is not. May I welcome the hon. and learned Gentleman to his role? I hope that he remains in that role, even when others return to this House. What I made clear over the weekend is that I believe, as I said in my first answer to topical questions, that it is important that we develop knife referral schemes that will enable young people caught in possession of knives to face up to the consequences of their actions. Such schemes should include their attendance at weapons awareness workshops, where graphic and detailed information on what happens when someone is stabbed and what the wider consequences are for them and their families, as well as for the victim, the victim's family and the community, are brought home to them. Such schemes could include visits to hospitals, or doctors visiting them so that they can talk to health care professionals, hear graphic details about the impact of knife wounds and better understand what happens when somebody is stabbed. We are not—I have never said that we are—proposing to bring young people into wards to see patients.

Mr. Speaker: Order. May I say to the Secretary of State that this is an opportunity for Back Benchers to come in and that a long statement is not required at topical questions? If she wants to make a statement, she can come to the House and make one.

Mr. Grieve: Grateful as I am to the Home Secretary for her remarks, she has not really answered my question, which was very specific. I get the impression that, in fact, she has slipped away from her previous statement on Saturday that in order to make people realise there is nothing glamorous about carrying a knife, knife offenders would be taken into accident and emergency departments in hospitals. I think that she has now abandoned that, but I would be grateful if she would give confirmation. Moreover, if, as I believe, she has abandoned it, what sort of impression will that send out to the public? It will give the impression that the Government are constructing policy in three days and abandoning it in three hours, and that this is gimmickry.

Jacqui Smith: I am sorry, but the hon. and learned Gentleman is just plain wrong. I have made it clear throughout that knife referral projects should bring young people face to face with the consequences—the gruesome injuries that can be caused—of knife crime. Of course, I never said—nor would this be sensible—that young people would be trailed through accident and emergency wards while people are being treated. The point here is whether he agrees with me or not. Should these be the sorts of things that we are developing with the Youth Justice Board? Will he support us when we roll them out in September, or is he more interested in opposition for the sake of opposition?

T10. [218121] **Ms Sally Keeble** (Northampton, North) (Lab): Will my right hon. Friend say what she is doing with other Departments to examine the labelling, promotion and display and pricing of alcohol, in particular the minimum price of a unit, to stop the deep discounting of strong alcoholic drinks, particularly to young people, which is causing such chaos?

The Parliamentary Under-Secretary of State for the Home Department (Mr. Vernon Coaker): My hon. Friend has raised this topic on a number of occasions, and I can reassure her that we are examining all the points that she makes. We are awaiting a review that the Department of Health is conducting into pricing and promotion. When that is completed we will examine its conclusions, take into account the points that she and other hon. Members have made, and decide on the appropriate way forward.

Chris Huhne (Eastleigh) (LD): The Home Secretary will know that her proposal, which she apparently stands by, to take young offenders to see victims in hospital, is very similar to the US Scared Straight programme, which was found to have increased crime, not reduced it. Does she agree that evidence-based policy is crucial, and that that makes the case for a research unit—perhaps a beefed-up and independent National Policing Improvement Agency—that would evaluate and assess what works to cut crime?

Jacqui Smith: Once again, I make the case that I believe—as does the Youth Justice Board, with which we are working to develop these knife referral projects—that there is value in young people coming face to face with the gruesome consequences of knife crime, including hearing directly from health care professionals, where appropriate. If the hon. Gentleman does not think that that is a good idea, he can say so, but I believe that it is, and that is why we are working to develop it.

Keith Vaz (Leicester, East) (Lab): Although I welcome the thrust of what the Home Secretary has said, I have reservations about her proposals for hospital visits. It would be much better to take perpetrators to prisons to see the effect for them if they continue their behaviour. Will she accept the words of her new police knife crime tsar, Alf Hitchcock, who says it would be much better for the political parties to leave their politics aside when discussing this important issue? Will she convene a meeting with the Opposition parties and other stakeholders to ensure that we produce some long-term solutions to this difficult problem?

Jacqui Smith: May I reiterate my earlier point that we are not proposing to bring young people into wards to meet patients? However, it would be a good idea to bring young people into contact with health professionals, perhaps through visits to hospitals, so that they understand what knives can do to people. My right hon. Friend is right to say that another element of the knife referral project should include young people meeting offenders to find out exactly what it means to be imprisoned, and the possible consequences for the rest of their lives.

I agree with him: I hope that the knife crime programme will achieve a clear view about the methods that will make the most difference to reducing knife crime, and that we can work together on that. That is what I have always sought to do, and it is a shame that some people are looking for opposition for the sake of—

Mr. Speaker: Order. I am reluctant to stop the Secretary of State, but it appears to me as though a statement should be made to the House. I repeat: topical questions are for Back Benchers, and answers should be short and sharp.

T3. [218114] **Mr. Laurence Robertson** (Tewkesbury) (Con): Just a few moments ago, I had a meeting with some young people from a school in my constituency and they were horrified to learn that the detection rate for violent crimes against the person is only 51 per cent., even given modern technology. That sends a clear message that half of the people who commit violent crimes will not be caught. What can be done about that situation?

Jacqui Smith: There is much more that we need to do to ensure that we catch people who are responsible for violent crimes, but I am sure that the hon. Gentleman's constituents would be horrified, as would mine, at the suggestion that scrapping the DNA database or doing away with CCTV cameras would help to catch violent criminals.

T4. [218115] **Mr. Mark Harper** (Forest of Dean) (Con): Was the Home Secretary as surprised as I was by the words of Baroness Manningham-Buller in her maiden speech in the House of Lords? She was responsible for the Security Service until just last year and she said:

> "I do not see on a practical basis or on a principled one that these proposals"

for 42 days—

> "are in any way workable".—[*Official Report, House of Lords*, 8 July 2008; Vol. 703, c. 647.]

Does the Home Secretary therefore think that she should reconsider her proposals?

Jacqui Smith: No, because I have always made it clear that we always listen carefully to those whose responsibility it is to investigate up to the point of charge—the most senior counter-terror police officers in this country. We have listened, for example, to previous heads of MI6, who believe that the policy is an important way we can help to counter terrorism. I have never resiled from the fact that it is a difficult policy to get right. That is why I have sought to find consensus, but I shall continue to do what I think is the right thing for this country's security.

Mr. David Winnick (Walsall, North) (Lab): Would it not be sensible for the Cabinet to reconsider the whole issue of the 42 days pre-charge detention? Surely the former director of MI5 cannot be accused of being soft on terrorism. Next time, my right hon. Friend might find it far more difficult to get the proposals through the House of Commons—the Democratic Unionist party might not be around.

Jacqui Smith: It sounds as though I have not yet managed to convince my hon. Friend. As I said, I shall continue to do what I think is right in this House and outside it for the security of the country.

T6. [218117] **Mr. Simon Burns** (West Chelmsford) (Con): May I press the Home Secretary further on the answer that she gave my hon. Friend the Member for Forest of Dean (Mr. Harper)? Does she agree with the Minister for Security, Counter-Terrorism, Crime and Policing, who said over the weekend that the former head of the security service allegedly lacked experience in the investigation and prosecution aspects of intelligence operations?

The Minister for Security, Counter-Terrorism, Crime and Policing (Mr. Tony McNulty): I am very grateful for the chance to clarify my comments. If at any stage they were interpreted the wrong way to suggest anything other than the greatest respect for Eliza Manningham-Buller and her 33 years of public service, that was not my intention. The simple fact is that the Baroness Manningham-Buller's experience is entirely in the intelligence dimension and not in investigation and prosecution, which is where the 42 days comes in. That is a simple matter of fact and I was not in any way casting aspersions on the huge service that she has given to this country.

T8. [218119] **Mr. Desmond Swayne** (New Forest, West) (Con): Before someone can be dispatched on a hospital visit or even made to attend a weapons awareness workshop, they have to be caught. What is the Home Secretary doing to ensure that police use more robustly the powers to search that they already have?

Jacqui Smith: That is what I am asking Deputy Assistant Commissioner Alf Hitchcock to help to ensure happens in every area. That is why we have invested in, for example, search arches and wands, which are being used increasingly around the country to deter and catch people who carry knives. That is why I personally believe that CCTV cameras, for example, are very helpful in tackling crime.

House of Lords Reform

3.32 pm

The Secretary of State for Justice and Lord Chancellor (Mr. Jack Straw): With permission, Mr. Speaker, I should like to make a statement on House of Lords Reform. I am also today publishing a White Paper on the subject.

In my statement to the House on 19 July last year, I said that I would continue to lead cross-party talks on reform of the Lords. Those talks have included Front-Bench representatives of the main parties from both Houses, as well as representatives of the Cross-Bench peers and the bishops. The talks have made good progress and I am most grateful to all those who have served on the group. I pay tribute to them for their constructive contributions and readiness to consider alternative proposals. Our discussions have been much informed by the work of others, including the Public Administration Committee, informal cross-party groups, the Cunningham report and above all the report of the royal commission under the chairmanship of the noble Lord Wakeham.

The basis for our talks was the outcome of the votes in the House of Commons in March 2007. The House voted then for a wholly elected second Chamber, and for a mainly elected second Chamber and rejected all other alternatives by a large margin. Their lordships took a different view and voted for a fully appointed second Chamber and rejected all other alternatives by a large margin. However, as I said in my statement on 19 July last year, reflecting the remarks of my right hon. Friend the Prime Minister on 3 July last, work taking forward House of Lords reform had to be based on the will of the House of Commons, which is the primary Chamber in our legislature. The proposals we make today are consistent with the 2005 manifesto commitments of the three main political parties.

The White Paper sets out how a wholly or mainly elected second Chamber might be created within a bicameral legislature in which the House of Commons retains primacy. The White Paper reflects the considerable consensus reached in the cross-party talks. Inevitably, we did not reach agreement on all issues. In some instances, those taking part have asked that the White Paper record their difference of view, which of course it does.

As I indicated to the House in my statement on 19 July last, our intention is that the product of the cross-party talks would be the basis of a

> "package that we would put to the electorate as a manifesto commitment at the next general election and which hopefully the other main parties would include in their manifestos".—[*Official Report*, 19 July 2007; Vol. 463, c. 450.]

It has therefore never been the intention to legislate in this Parliament—as I said last year. The White Paper represents a significant step on the road to reform, and is intended to generate further debate and consideration rather than being a blueprint for final reform.

The White Paper sets out how Members could be elected to a reformed second Chamber from the nations and regions of the United Kingdom. It was a key recommendation of Lord Wakeham's royal commission, and one that has since enjoyed strong consensus within the cross-party group, that Members should serve a single, non-renewable term of three electoral cycles—that is, of between 12 and 15 years. The proposal reflects the proposals in the February 2007 White Paper. Under this system, elections would be held at the same time as those for Members of this House, so as to minimise disruption to the business of Parliament.

The current House of Lords has more than 700 members. The Government intend that the reformed second Chamber should be significantly smaller, not more than between 400 and 450 members, maybe fewer, and that costs should be similar or reduced. We envisage all members of a reformed second Chamber making a full contribution to its work and we would welcome views on its size. Single, non-renewable terms would help to provide a membership for the second Chamber that continued to be distinct from that of this House and could hence bring an added dimension to the work of Parliament. It is proposed that this be reinforced by the use of large constituencies for elections to the second Chamber.

I referred earlier to the primacy of this House. Analysis of other countries' arrangements, including that set out in chapter 5 of last year's White Paper, and consideration of our own history shows that primacy does not depend on the fact that this House is elected while the Lords is not, rather that primacy is rooted in the Parliament Acts of 1911 and 1949 and the conventions that govern relations between the two Houses. However, with the introduction of elected Members in the second Chamber, we have to ensure that the mandate of this House, and of the Government it sustains, continues to hold sway. The membership of a reformed second Chamber should be such that it could not challenge that mandate. That is why we saw considerable merit in staggered elections, with a third of Members returned at each election. In that way, the electoral basis of the reformed second Chamber could never, as a whole, be more recent than that of this House.

The cross-party group considered at some length possible voting systems. The White Paper presents detailed modelling on the possible—I underline possible—effects of each of four electoral systems for elections to a second Chamber. The systems are first past the post, the alternative vote, the single transferable vote and open or semi-open list systems. The Government would welcome views on the choice of system.

The group considered the powers of a reformed second Chamber. We took the view that it would be wrong to presuppose conflict between this House and the other reformed House. The working relationship between the two Houses currently functions well, and we could see no reason why it should not continue to do so. Creative tension between the Houses can lead to better government, not to an undermining of the primacy of this House. If conflict arose in the future, it would, as now, be for both Houses to devise a way through that conflict. In advance of that, we identified no persuasive case for reducing the powers of a wholly or mainly elected second Chamber.

Given the Commons votes last March, the White Paper does not take a view between the options, which were voted on in favour, of either a 100 per cent. or an 80 per cent. elected second Chamber, but the White Paper includes detail on a possible 20 per cent. appointed element, should the latter option be chosen. There would then be a statutory appointments commission and published criteria for appointments. Any appointed members would serve for three electoral cycles in the same way as elected Members.

[Mr. Jack Straw]

If the second Chamber became fully elected, there could be no seats appointed or reserved, including for Church of England bishops. But in recognition of the wide and important role played by the Lords Spiritual in the life of the nation and the special constitutional position of the Church, we propose that their representation should continue in a mainly elected House. In that instance, their numbers would not contribute to the 20 per cent. appointed element.

The White Paper includes proposals on eligibility and on disqualification. Because of the long non-renewable terms for which they would serve, we were attracted to the system discussed in the White Paper of recall ballots for elected members of the second Chamber, with analogous arrangements for any appointed members, but those would apply only after the first of the three parliamentary terms that members would serve. Again, the Government would welcome views on that.

We also propose that members of a reformed second Chamber should receive salaries, with the Senior Salaries Review Body asked to advise.

The transition to a reformed second Chamber raises a number of important issues, not least about the future arrangements for existing Members of the Lords. It is those Members who, collectively, enable the Chamber effectively to fulfil its key roles of scrutinising legislation, conducting investigations and holding the Government to account. The Government and, I know, the whole House greatly value the work of the Lords and the contributions of individual Members to it. However, it was made clear in 1999 that the rights of hereditary peers to sit and vote would be removed, as part of the next phase of Lords reform. The Government therefore propose that, following legislation and during the transition to a reformed second Chamber, there should be no further by-elections to fill vacancies for hereditary peers.

The February 2007 White Paper included a proposal from me that a reformed House should be 50 per cent. elected and 50 per cent. appointed. One of the many merits that I saw in that proposal was that it would have enabled existing life peers to remain for life if they had wished to do so. But that 50:50 proposal was comprehensively rejected by both Houses. The votes in this House for a wholly or 80 per cent. elected House mean that the context for the transition to a reformed second Chamber has changed. There may not be an appointed element in a reformed second Chamber. If there is, it may comprise 90 or many fewer Members.

A discussion is therefore now required to determine how far the rights of life peers to sit and vote during any transition to a reformed second Chamber should continue. The White Paper sets out three options for managing this transition: first, for all existing life peers to leave in tranches, allied to the three electoral cycles; secondly, for all to leave on the third cycle; and thirdly, to remain as now for life. Again, the Government would welcome views on those options.

The cross-party group faithfully and assiduously followed the mandate set for it by the Commons in March 2007. We are now keen for there to be a wide-ranging and thorough debate on our proposals. But I hope that all members of the cross-party group share my view that to have got this far on such an important but highly complex issue is a considerable achievement. *[Interruption.]* I think so, and I am very grateful for the approbation of the House in that respect. As I said in my statement on 19 July, our intention now is to continue to develop the consensus around a comprehensive package for reform of the House of Lords.

Andrew Mackinlay (Thurrock) (Lab): Switch the lights off and most of them would go.

Mr. Straw: Any final package would have to be put to the electorate as a manifesto commitment, including in Thurrock, at the next general election. I hope that we will be able to build on the considerable consensus established already in the cross-party group, to the extent that other parties include similar commitments in their manifestos.

An effective second Chamber plays an invaluable role in holding the Government to account and in scrutinising legislation. Our belief is that the proposals in the White Paper and those of the group will lead to a more legitimate and strengthened second Chamber. I commend this statement and the White Paper to the House.

Nick Herbert (Arundel and South Downs) (Con): I thank the Justice Secretary for early sight of his statement and the final White Paper. I commend him on the way in which he has handled discussions in the cross-party group for many months and attempted to steer a course of reform.

We welcome the White Paper and recognise it as a step forward. As the Justice Secretary said, it is a Government document. Many of the proposals reflect areas of consensus in the cross-party talks, but there are areas of disagreement. Will he accept that the question of the electoral system for any reformed second Chamber is far from settled? We believe that that system should mirror that for this House: a first-past-the-post system, with recognisable constituencies, based on our historic cities and counties. We would strongly resist any move to introduce an electoral system based on proportional representation. Would not simultaneous elections to both Houses involving two different electoral systems be a recipe for confusion?

At a time of increasing public disquiet about politicians' use of taxpayers' funds, the cost of the second Chamber is bound to be an issue. What plans does the Justice Secretary have to set out the pay, pensions and responsibilities of members of a reformed second Chamber, and the costs of reform as a whole?

The Justice Secretary says that a reformed second Chamber should be significantly smaller than the existing House of Lords, but is not 400 members too large? We have argued for a second Chamber of between 250 and 300 members, which would be a similar size to the upper houses of France, Italy and Spain. The United States Senate has only 100 members for a population of 300 million people, albeit in a federal system.

On the subject of a senate, the White Paper notes that the working group reached a "strong consensus" that a reformed second Chamber should be known as the "Senate", yet the Government's proposals do not use that name. Will the Justice Secretary tell us why the Government appear reticent to adopt a name that was agreed by the cross-party group?

The issue of transition could be highly contentious. The White Paper suggests that life peers could remain members of a reformed second Chamber even after transition was complete. How could reform possibly be considered complete while life peers remained in a second Chamber, perhaps for decades? The White Paper also suggests that the remaining hereditary peers would go at the completion of transition. Does the Justice Secretary accept that given that the former Lord Chancellor, Lord Irvine, gave an undertaking that the elected hereditary peers would remain until stage 2 of reform had taken place it would be invidious and inequitable to remove those remaining hereditary peers sitting in the other place as long as the 400 life peers created under Labour continued to sit? While the largest number of Members of this House voted last year for a 100 per cent. elected second Chamber—I was one of them—is it not the case, in view of the contrary position taken by the Lords themselves, that retaining an appointed minority would provide the best hope of consensus?

We welcome the special place that the Government intend to reserve for the Church of England bishops in a mainly elected, reformed second Chamber. However, does the Justice Secretary agree that retired justices of the supreme court, who would not be appointed to the second Chamber automatically, would make every bit as valuable a contribution to its work as the Lords Spiritual?

Reform should not be supported unless it strengthens the authority of the second Chamber in holding Governments to account. However, a reformed second Chamber should not seek to compete with this House, which must continue to have primacy. Is it not the case that both Houses of Parliament need strengthening to hold the Executive to account? Does the Justice Secretary agree that the next reform of the Lords should be a democratic one and that we should be wary of any proposals that might cement the current arrangements, especially by allowing an entire second Chamber to be appointed by an unelected quango?

The White Paper represents the next step after last year's votes in the House for a mainly or wholly elected second Chamber, but is it not clear that the change envisaged is a radical one? It is not so much the reform of the House of Lords as the creation of a new second Chamber. Reform of the Lords has been proposed and attempted for the past 100 years. Will the Secretary of State for Justice indicate when he thinks the proposals will be translated into a Bill? It is right that Members in this House should reflect on and debate the issues carefully. We Opposition Members will continue to seek consensus on a way forward.

Mr. Straw: The hon. Gentleman asked me a large number of questions, and I shall try to get through them as rapidly as I can, but first, may I thank him for the courtesy and generosity of his opening remarks? As he said, and as I said, this is a Government White Paper. It is, I think, faithful to what was decided in the cross-party group, both where there was consensus and where there was not. The hon. Gentleman is entirely correct to say that, as the White Paper records, the Conservative party favours a first-past-the-post electoral system, basically based on the old European constituencies. I understand the argument in favour of that, but from a position of total neutrality on the issue, I think that there are stronger arguments in favour of first past the post than those to do with the complexity of the ballot papers. There are other issues, and there is much to be said on the matter.

The costs clearly depend on the final size agreed on. That runs into issues about transition. It is a self-evident truth that the smaller the size, the lower the costs will be, but for all parties there could be difficulties with transition. We have said that the matters must be discussed. I accept that the longer transition goes on, the more difficult it will be for the issue finally to be agreed. There is a balance between the best and the good, and in future the Houses will have to come to a judgment.

The hon. Gentleman asks about the name of the senate. What he says is consistent with what is written on page 7 of the White Paper, where the word "Senate" is used. It records the view of the cross-party group, but it goes on to say—this is the Government view—that

> "To avoid a preoccupation with name over function and composition…we use the neutral term 'reformed second chamber' throughout this document",

but there is no copyright on that term, and others will use whatever name is appropriate.

On hereditaries, I understand the point that the hon. Gentleman makes, because it is just a fact of life that of the hereditaries that remain, 44 are Conservatives and four are Labour. I have always said that were we to change things, we would have to make arrangements for those existing hereditaries; as I have said publicly, it has never been part of the Government's agenda, or my agenda, gratuitously to disadvantage Conservative party representation in either place, and I have made that very clear.

The hon. Gentleman makes a good point about retired justices. I agree—this is a personal view—that an appointed minority is the best type of consensus, but let us see. Of course I agree that both Houses need to be strengthened. We should consider how rebellious the Houses have become, compared to how they were in the 1950s, when they were not rebellious at all. This House has been strengthened over the years, and an interesting Hansard Society report about that is coming out tomorrow. He asked about legislation. As I said, it is certainly our intention to bring forward a Bill after the next election, and I look forward to the Opposition parties giving us support by ensuring that they put that in their manifestos, too.

Simon Hughes (North Southwark and Bermondsey) (LD): First, may I thank the Secretary of State for the statement and for the work on the White Paper? I pay tribute to his commitment to making sure that we move forward together, as far as is possible. Through him, I thank his private office for its assistance, and his officials, who have been extremely helpful. Does he agree that the reality is that there is a coalition of the committed, who are determined that we shall see reform? The process started in 1911—I nearly said, "as you know, Mr. Speaker." I did not mean that; I mean, "as we all know." It would be nonsense if the process were not completed by 2011. The question that the House has to address is not whether, but when, we have a properly democratic second Chamber of the United Kingdom Parliament. That is the issue, and not anything else.

The Secretary of State heard my colleagues and me make a commitment in the talks and on behalf of our party. We will repeat that commitment in our next

[Simon Hughes]

election manifesto: it is to make sure that all our MPs vote at the earliest opportunity in the next Parliament for just this sort of reform package. However, if people are to be elected to the second Chamber—it will be called "the Senate", I think—in thirds, for one term only, there is no justified argument that those elected with a party affiliation should not proportionately reflect the public's votes for the parties at the election. That argument is not about this place; we can have that at another time. It is an argument about proper representation down the corridor.

Will the Secretary of State accept that, like the life peers, the hereditaries have known throughout their service in the House of Lords—many have served it well—that the time would come when their service would end? The only logical position is that all the hereditary peers should go at the beginning of the democratic process and that the life peers should go, at the latest, at the end of the three elections, probably by thirds over the period. In the White Paper, the Government express the preference that we have discussed: that the elections for the second Chamber should take place on the same day as the general election. However, does the Secretary of State agree that there is a strong case for our needing a fixed-term Parliament for the House of Commons and for there to be, at half-time intervals, elections for the second Chamber as well as for the devolved Administrations in Scotland, Wales, Northern Ireland and for any future devolved Administration in England?

There has been a debate about the bishops. I hope that the Secretary of State accepts that many of us in the Church—not only the Anglican Church, but the Church generally—believe that the time has come for the Church of England not to be part of the establishment any more. The Church was not part of the establishment at the beginning and it was not intended to be so. Whether there are to be women bishops soon or not—I hope that there will be—the Church must, like anybody else, put its case for representation to the people. It is nonsense to protect one bit of the old House of Lords, but not any other.

Lastly, does the Secretary of State agree with the point made by the hon. Member for Arundel and South Downs (Nick Herbert)? The proposals do not come instead of, but as well as, the reform and democratisation of the Commons. We need a stronger Parliament in this country if the British people are to think that their Governments, of whatever colour and composition, are to be held properly to account in future.

Mr. Straw: I thank the hon. Gentleman for what he has said. I also particularly thank my private office and the officials who have worked extremely hard for a long period on behalf of all members of the working group; I should have done that before.

To suggest that the process will be completed by 2011 is probably pushing it; however, getting the legislation in by 2011 would be a good target. The hon. Gentleman mentioned the form of elections. He and his party have their view about the timing of the elections; it happens that the Conservatives and the Government have a different one. One of the great things about the cross-party group was that we had to apply our brains to the discussion. Like the Conservative party, I came to the view that it would be best for good governance and the effective role of both Houses if the elections for each House coincided.

The hon. Gentleman asked about hereditaries. They, as well as life peers, have always known that their time would end. That is true for all of us; we know that our time will end at some stage and the big, existential question is about when. Everybody at the other end of the corridor has certainly been aware that reform has been in the air; it has been since at least 1911, and for many years it has been in the manifestos of the hon. Gentleman's party, my party and, more recently, the Conservative party. That said, there is a human issue about managing the transition.

The hon. Gentleman made an interesting point that was wholly incorrect, if he does not mind my saying so. He said that the Church of England was not originally part of the establishment. I do not know what Henry VIII had in mind when he broke away from the Church of Rome and created the Church of England. Furthermore, what is still in mind when I go to the palace to administer the new bishops' oaths of homage, about their allegiance and loyalty to the Crown? I am also a communicating Anglican, as is my hon. Friend the Member for Rhondda (Chris Bryant). I take a different view—I think that the established Church plays an important part in the life of our nation. That is not a party point of view.

Of course, the hon. Gentleman is absolutely right to say that this is not a zero sum game as between the other place and this House. It is in the interests of democracy and of good government that both Houses should continue to be strengthened.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): May I thank my right hon. Friend for his courtesy in sending me an advance copy of the White Paper and for his kind words about my work on the royal commission? Having read the White Paper, I congratulate him on producing a masterpiece of imprecision, vacillation and obfuscation that cannot possibly lead to meaningful legislation—a consequence entirely to be desired.

Mr. Straw: My right hon. Friend is a very old friend. When he starts his remarks with a compliment I always know that there is something coming that will be less than complimentary, and I was not disappointed on this occasion. He played an important role in the Wakeham royal commission. He obviously disagrees with the White Paper, but he is wrong to call it imprecise or obfuscatory. It is neither; it merely comes to a conclusion that is rather different from his conclusions.

Sir Patrick Cormack (South Staffordshire) (Con): In echoing the wise and perceptive comments of the right hon. Member for Manchester, Gorton (Sir Gerald Kaufman), may I ask the Lord High Chancellor to acknowledge that when the votes took place in this House last year a significant majority of Conservative Members voted against 80:20 and a larger number voted against 100 per cent? On his side of the House, there was a significant majority against 80:20—

Chris Bryant (Rhondda) (Lab): Not true.

Sir Patrick Cormack: There was a majority against 80:20, and the vote for 100 per cent. was caused by a tactical switch by a number of Members, led by the hon. Member for Tyne Bridge (Mr. Clelland), who is nodding vigorously. That is no basis on which a cosy coterie of cross-party leading Front Benchers can saddle the rest of the House of Commons with the most ridiculous dog's breakfast that I have seen in many a long year.

Mr. Straw: Those of us who take seriously the way we vote have to be bound by the consequences of our votes. We cannot have a situation whereby Members vote in one Lobby and then say that they actually meant to vote in the other Lobby; indeed, that would be the road to complete disaster. Moreover, I do not remember the hon. Gentleman ever saying, when he was forced through the Lobby in support of his Government, that he had not really meant to vote for, say, the poll tax or another objectionable piece of legislation. When the votes took place, there was quite a substantial majority for 80:20 and a very significant majority for 100 per cent. All the other alternatives were defeated.

Jeremy Corbyn (Islington, North) (Lab): I am relieved to hear from the Secretary of State that brain power was applied in producing this document. What is the thinking behind electing somebody to an upper House for a 12 to 15-year term with no right of re-election? How could they possibly be held to account by the constituency for which they have been elected for such a long period?

Secondly, why on earth can we not do this in this Parliament—

Mr. Speaker: Order. One supplementary is enough.

Mr. Straw: I refer my hon. Friend to my right hon. Friend the Member for Manchester, Gorton (Sir Gerald Kaufman), because this idea originally came from the royal commission of which he was not just an adornment but a very important element. I think that it has merit in terms of what we are seeking to do. It was also in the February 2007 White Paper and generally received approbation in the two-day debate in March 2007. If we are seeking a Chamber that is complementary, we must have a system of election that does not get in the way of Members of this House. That is a serious anxiety. We therefore propose single terms, although these Members would not be as responsible to their electorates as is any Member of this House. At the same time, it is important, in our view, that there should be recall mechanisms of some kind to ensure, for example, that as well as attendance requirements, the natural check on Members' assiduity and behaviour, which takes place very quickly at each subsequent election, would not arise under this system.

Mr. Richard Shepherd (Aldridge-Brownhills) (Con): Before we start writing our election addresses on this White Paper I hope that the House will have a debate on it. This is an extraordinary process. As my hon. Friend the Member for South Staffordshire (Sir Patrick Cormack) said, it is only a coterie of Front Benchers who have come to these generalised conclusions, which is all that they are. There has been no Speaker's Conference on this major constitutional change. We desperately need to be able to discuss this matter appropriately before any of us come to write our election addresses—in my case, I will include a rejection of the proposals in the form that they take.

Mr. Straw: I set out the basis for the talks in my statement on 19 July last year, and there was general approval for them. On 7 March, following the clear votes in this House in favour of 80 per cent. and 100 per cent. and against all other alternatives, the right hon. Member for Maidenhead (Mrs. May) asked me what the next steps would be, and we said that there would be a cross-party group. A cross-party group was formed with representatives of each of the parties. Of course, on this issue, as on many others, there are disagreements within parties, but that does not alter the legitimacy of our mandate, or of those who served on the cross-party group.

Mr. John Spellar (Warley) (Lab): I congratulate my right hon. Friend on resisting the name "senate". Frankly, once they are called senators, they will be completely out of control. An important question is highlighted—apart from "Why are we wasting time on this nonsense, anyway?" Once a second Chamber has an elected mandate, what can stop it from claiming equal responsibility to this House?

Mr. Straw: I do not happen to think that reforming our second Chamber is a waste of time. What my right hon. Friend says is exactly the sort of argument that has led to delay and procrastination on this issue. Reform would greatly strengthen our democracy, and I am not in any doubt about that. What was my right hon. Friend's second question?

Mr. Spellar: It was the question of an elected Chamber not claiming equal powers.

Mr. Straw: This is an important question, which we debated at great length last March. If my right hon. Friend looks at chapter 5 of the White Paper on Lords reform that we published last year—I will send him a copy—he will find a detailed analysis of other countries' experience of appointed and elected second chambers and the powers that flow from that. There is no direct relationship between the nature of election or appointment and the powers. There are appointed chambers that are powerful and elected ones that are not. It is the nature of the relationship that is crucial, not whether they are elected or appointed.

Mr. John Maples (Stratford-on-Avon) (Con): As an opponent of an elected second Chamber, as is everyone else who has spoken on this statement, may I say that I wholly support the Secretary of State's policy of what appears to be endless consultation on the issue? The process looks likely to reach 100 years, and perhaps it could then be given a decent funeral.

I return to the point about accountability made by the hon. Member for Islington, North (Jeremy Corbyn). The Secretary of State seemed to say that the fact that a person did not have to be re-elected made the process more accountable. It seems to me that if someone were elected for 15 years, they would have to pay no attention to their constituents—they would not even have to answer their letters, let alone represent their views in any way. If people are to be elected for 15 years on a party list by proportional representation, is the system not very like the one we have at the moment where life peers are mainly appointed by political parties? Why do we not just stick with that?

Mr. Straw: I invite the hon. Gentleman to look carefully at our argument on non-renewable terms and at the views of the royal commission, in which my right hon. Friend the Member for Manchester, Gorton

[Mr. Straw]

(Mr. Kaufman) played an important part, because it made the original recommendation. In a modern society, we must accept that there is an issue about the other place's lack of legitimacy. It is unusual for the second Chamber of such a large and important country as the United Kingdom to be wholly appointed. Over the years, we have tried to increase the legitimacy of the other place, but it is still appointed. I believe, although my position has moved, that we greatly benefit from its being elected in a way that does not compete but complements the work of this Chamber.

Mr. Peter Hain (Neath) (Lab): May I commend my right hon. Friend's thoroughness and progress on this issue but express disappointment that this important question of Lords reform is still in the slow lane? This House voted by an overwhelming majority for a 100 per cent. elected Chamber and by a smaller but none the less clear majority for an 80 per cent. elected Chamber. There is no justification for not introducing a Bill in the next Session, and one of the advantages of doing so would be that it would test Conservative support for Lords reform. I should like that to be put to the test and for us to finish this unfinished business as part of the radical proposals for constitutional reform that I am proud our Labour Government have introduced.

Mr. Straw: I am grateful for my right hon. Friend's support and, in a sense, I welcome his impatience. As a former Leader of the House, he will be aware of the issues about what is included in the legislative programme. In practical terms, given the huge amount of detail that must still be resolved, it will be difficult to include legislative proposals in the next Session. Given all the fits and starts on Lords reform—including under my party between 1966 and 1968—the measure of cross-party consensus represents significant progress, and we must rapidly build on it.

Adam Price (Carmarthen, East and Dinefwr) (PC): Church of England bishops may not be men-only in future, but they will be England-only for eternity, so will Wales, Scotland and Northern Ireland have additional representation to compensate for the fact that they do not have established religion? To echo the point made by the right hon. Member for Neath (Mr. Hain), given that reform of the House of Lords has been in every Labour manifesto since 1997 and has been Labour policy for the best part of a century, why is the Justice Secretary subcontracting it to the incoming Conservative Administration?

Mr. Straw: We are not subcontracting it to anybody. We have made considerable progress on Lords reform: the composition of the other place and its activity rate have been transformed in the past 11 or 12 years, although it remains appointed.

The hon. Gentleman raises an important issue about the representation of other faith communities, within both the Christian Church and other world religions. I accept his point that if there were an appointed element—it is one of the arguments in favour of an appointed element—the faith communities would be represented, albeit it in a different way. Without an appointed element, there is no provision for any appointments of bishops or of representatives of other faith communities.

Mr. Brian H. Donohoe (Central Ayrshire) (Lab): The Minister says that he would welcome views on the system of voting and elections to the Lords being held on the same day as general elections. The election that was held in Scotland on the same day using two different systems was a complete shambles that disfranchised many of my constituents as well as those of colleagues. In the circumstances, surely the only system should be first past the post.

Mr. Straw: There is experience of the electorate finding voting straightforward, including in the elections for the London Assembly. I understand my hon. Friend's point, and it might be a further argument in favour of first past the post.

Sir George Young (North-West Hampshire) (Con): In last year's vote, was not the status quo the least-favoured option among Conservative Members, with the majority of us voting for at least one of the elected options? On the transition, would not resistance from the other place be reduced if life peers were allowed to serve for life, and, with an average age of 68, is this not a matter on which we can afford to be generous?

Mr. Straw: I am grateful for the right hon. Gentleman's support. He is absolutely right to say that there was a clear majority of 23 in the Conservative party against a fully appointed Chamber, with the proposal being comprehensively defeated across the Chamber by 196 to 375. Each of the parties must discuss his second point with its peers and, indeed, must do so across the parties. I have yet to reach a final conclusion, but we include in the White Paper and elsewhere various actuarial predictions about how long their lordships would take before life ceased to mean life.

Mr. Gordon Prentice (Pendle) (Lab): I broadly support the proposals, but I wonder what the White Paper says about the dual mandate. Is my friend proposing that the senators, or whatever they are called, will not be able to serve as Members of the Scottish Parliament, Assembly Members or perhaps even as local authority councillors?

Mr. Straw: I think—from recollection—that the White Paper is silent on the dual mandate. I have never seen a problem with people serving on local authorities, but there would be an issue about serving on other bodies.

Mr. Oliver Heald (North-East Hertfordshire) (Con): I join in thanking the Justice Secretary for the courteous way in which he ran the working group. However, may I ask him to look again at the arrangements for the elections? He has put forward any number of reasons today why the first-past-the-post system is the preferred way forward. When it comes to the constituencies, surely we should have an end to the regions. Regional assemblies have been grossly unpopular—it has not been possible to pursue them—and regions are not popular in the European elections, either. However, people understand what a county, a town or a city is. If we are to have any confidence in the system, surely people should have a sense of identity with the constituencies in which they are voting. Will the Secretary of State join me in standing strong for the great ancient counties and great cities of England and Britain?

Mr. Straw: I understand the hon. Gentleman's argument. However, it could be said that, as the House of Lords does not deliver a Government or sustain a Government, one of the arguments normally made against proportional representation, which I hold with a passion so far as this place is concerned, is less significant in respect of the other place. That must be weighed in the balance. We need to look at the experience of the various proportional systems that have been used, particularly over the past 11 years. However, let me draw to the House's attention the fact that we are not proposing in the White Paper to go for a closed list system.

Mr. David Clelland (Tyne Bridge) (Lab): These proposals represent major constitutional change. If proposals for elected mayors, regional assemblies and devolved government require referendums, should the people not be asked whether they want to abolish the House of Lords and create 200, 300 or 400 more paid politicians?

Mr. Straw: It has never been the view of any party that such a complex issue ought to be put to a referendum, but we are clear that it should be included in election manifestos.

Dr. Evan Harris (Oxford, West and Abingdon) (LD): Even the Government accept in the White Paper that there is no place for bishops in a 100 per cent. elected House, so in their view there is no fundamental constitutional principle in having bishops. Therefore, if the Government want bishops in an 80 per cent. elected House, why not rely on the appointments system rather than reserving a place for 16 or 26 male, mainly conservative people who have separate representation from anyone else?

Mr. Straw: I have been a strong supporter of women bishops in the Church of England and I look forward to their future representation in the other place. The issue comes down to the position of the established Church. I understand and respect the hon. Gentleman's view, which is different from mine. One of the things that we need to recognise, at a time of concern about whether there is a lack of faith generally, is the important role that the Lords Spiritual, as bishops of the Church of England, play in representing not only the Church of England but the wider faith communities. It is interesting that almost all representatives of other faith communities, including other world religions, applaud the role of the Lords Spiritual in the other place.

Fiona Mactaggart (Slough) (Lab): I congratulate the Justice Secretary on the progress that he has made in bringing forward proposals that give effect to the views that the House expressed. I would urge him strongly to commit to as open an electoral system as possible, so that through electoral reform it might be possible to involve in our revising Chamber representatives who stand on platforms other than those of our existing political parties. Having a more open system is absolutely appropriate for a revising Chamber whose job is not to sustain a manifesto or sustain the Government, but to scrutinise the work of that Government and revise legislation.

Mr. Straw: I understand my hon. Friend's point and I thank her for her support. It is for precisely the reason that she mentioned that none of us was in favour of the closed list system. Proponents of each of the four systems in the White Paper would argue—with some justification—that each system could lead to the election of people of independent spirit and mind to the second Chamber.

Bob Spink (Castle Point) (UKIP): Following on from the previous question, does the right hon. Gentleman accept that a case can be made for no whipping of members of the second Chamber in order to protect its independence from the corrupting influence of party politics?

Mr. Straw: I know that the hon. Gentleman has a particular view of the Whips—

Bob Spink: Yes.

Mr. Straw: The hon. Gentleman says yes, but I have a slightly different view. I think that we cannot operate a party system without Whips, however difficult they may be from time to time—and that is an eternal verity. The whipping system in their lordships' House is already rather loose compared with the system in this House, and that may continue.

Sir Peter Soulsby (Leicester, South) (Lab): I very much welcome the statement and the White Paper. Does the Secretary of State agree, however, that alongside discussion of the issues in the White Paper it is important that we discuss the mechanisms that the political parties will adopt to select candidates for a reformed second Chamber? It would be most unfortunate, and certainly not the wish of this House, to substitute one form of patronage with an even less transparent one. It is important that the second Chamber is not full of centrally appointed party apparatchiks and has only a thin veneer of democratic accountability.

Mr. Straw: I agree with my hon. Friend. As I said, that is one reason why the proposals for a closed list system were not accepted and are not part of the current proposals. The precise form of party mechanism depends to a significant degree on the electoral system that is chosen, but I think that all of us accept the burden of what my hon. Friend says.

Sir Nicholas Winterton (Macclesfield) (Con): Although I fully support the views expressed by my hon. Friend the Member for Aldridge-Brownhills (Mr. Shepherd) and the right hon. Member for Warley (Mr. Spellar), can the Secretary of State give the House any assurance that a new House of Lords will have the same range of skills, qualifications and life experience as the current House of Lords? Will the new House control its own timetable, as the current House of Lords does—something that gives it the ability and authority to hold the Government to account and, unlike this place, properly to scrutinise legislation?

Mr. Straw: On the range of skills, if there were an appointed element, some of those who are currently appointed would continue to be appointed, and there is an obvious downside if everyone is elected. However, I do not accept the implication that the only method by which people of experience and education can get to the

[Mr. Straw]

House of Lords is by appointment, rather than election. Plenty of other systems across the democratic world use election.

On the House of Lords controlling its own timetable, we do not have proposals to change the present powers. Although it is true that their lordships have become more assertive in scrutinising legislation, the hon. Gentleman will know, as a member of the Modernisation Committee, that there is clear evidence that this House spends longer scrutinising Bills than does the other place.

Chris Bryant (Rhondda) (Lab): I wholeheartedly congratulate the Justice Secretary on his reforming zeal, not least because we still have ludicrous by-elections for hereditary peers in the House of Lords, the last of which, in May, saw Baroness Darcy de Knayth replaced by the Earl of Stair, whose first predecessor in the House of Lords was given his place there for ordering the massacre at Glencoe. On top of that, we still have convicted criminals in the second Chamber and it is still predominantly representative of London and the south-east. Is not the most important principle that we should stick to the primacy of the House of Commons in that only this House can appoint a Government and only this House can get rid of one?

Mr. Straw: Yes to my hon. Friend's final question, and I am grateful for his support in trying to develop a momentum for these proposals. On disqualification, as we set out in the White Paper, we are clear that the same arrangements that apply to this House—disqualification for a criminal conviction, for example—should apply to the other place.

Mr. Desmond Swayne (New Forest, West) (Con): I voted for an elected second Chamber, but I am struggling to remember quite why. The Lord Chancellor has sought to detain us with his statement notwithstanding the fact that the existing arrangements seem to be working pretty well and that there is no prospect of consensus between the two Chambers. As for the right hon. Gentleman's assurance that he is going to put the proposals in his manifesto, he will recall that he put a commitment to have a referendum on the European constitution in his previous manifesto.

Mr. Straw: On why the hon. Gentleman voted as he did, he will have to consult himself and also perhaps the man for whom he works as Parliamentary Private Secretary—the Leader of the Opposition—as it may be that he was told to vote that way. Who knows? But he did vote for it and we, being faithful servants of the House, have implemented the mandate of the Commons.

Mr. David Hamilton (Midlothian) (Lab): I agree with the comments made earlier that allowing bishops to be represented in the Lords would be an offence to the Catholic Church and, indeed, the Church of Scotland. What happens in the Lords should reflect what happens throughout the UK, so it should include all the religious beliefs if its people. My question, however, is this: if we go ahead and change the electoral system for the House of Lords, it would effectively mean that there would be five separate types of elections in the different parts of the United Kingdom. That cannot be good for democracy. Surely it is about time we started to talk about standardising this country's electoral system.

Mr. Straw: My hon. Friend raises an important point, which requires further consideration. I fully understand what he is saying about the role of the Catholic Church; it does not have a formal position on this issue, but I am not aware of any hostility by members of the Catholic hierarchy to the Anglican hierarchy sitting in the House of peers. Indeed, it is quite the reverse, as they believe that the bishops speak out as they do in the other place not just for the Anglican Church but for all those involved in the proselytising of faith across our society.

Anne Main (St. Albans) (Con): As someone who voted for a wholly appointed or a wholly elected second Chamber—I believe anything in between is indefensible—may I ask about the cost of all this rigmarole that we may be undertaking with partly or wholly elected lordships?

Mr. Straw: The cost of a reformed Chamber will principally depend on its size. We have suggested somewhere between 400 and 450 members—possibly fewer—while the Conservative party has talked about a Chamber of 300. The smaller it is, the more difficult it will be to effect a transition, but the less expensive it will be.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): May I support my hon. Friend the Member for North-East Hertfordshire (Mr. Heald) in emphasising the importance of relatively small, identifiable and manageable constituencies? That rather suggests the old Euro-constituencies prior to 1983. In choosing the method of election, can we keep in mind the undesirability of too much interference from party central offices—and that certainly argues against a closed party list system?

Mr. Straw: I understand the right hon. and learned Gentleman's point. The closed party list is no part of these proposals; let us be clear about that. It was in our 1997 manifesto—*[Interruption.]* We will leave aside how it got there—*Interruption.]* Not by me—*[Interruption.]* I am being interrupted. The right hon. and learned Gentleman was, of course, right in the rest of what he said.

Mr. Peter Bone (Wellingborough) (Con): I congratulate the Lord High Chancellor on not leaking the statement in advance. It is clear that when statements are not leaked the House is much better attended.

Does the right hon. Gentleman agree that the House of Lords is very effective in holding the Government of the day to account? Surely the only reason for reforming it would be to make it more effective. If it is not broken, why is the right hon. Gentleman trying to fix it?

Mr. Straw: I am grateful to the hon. Gentleman for saying that I had followed the normal conventions. I do not approve of prior briefing on statements, and have always sought to avoid it.

As for the hon. Gentleman's second point, he needs to consider why he stood in the last general election—along with my party and the Liberal Democrats—supporting a clear manifesto commitment to the seeking of a cross-party consensus on a mainly elected second Chamber. His party had obviously thought about it carefully, and believed that whatever good work the Lords were currently doing—as they are now—could be strengthened by an increase in its legitimacy through an election.

New Member

Mr. Speaker: Will Members wishing to take their seats please come to the Table?

The following Member took and subscribed the Oath:

David Michael Davis Esq., for Haltemprice and Howden.

Point of Order

4.32 pm

Mr. Mike Hancock (Portsmouth, South) (LD): On a point of order, Mr. Speaker. Like you, I should be grateful if the Home Secretary would come to the House to make a statement on knife crimes and clear up some of the confusion. If she is persuaded to come, will she also clear up the confusion over the licensing laws? During Home Office questions, the Under-Secretary of State for the Home Department, the hon. Member for Gedling (Mr. Coaker), said that the Government had no intention of changing them, but five minutes later, in a reply to his hon. Friend the Member for Luton, North (Kelvin Hopkins), he said that they were considering doing so. The sooner we are given clarification on both points, the better.

Mr. Speaker: Confusion between Ministers is quite common at times, but that is not a point of order.

Orders of the Day

Employment Bill *[Lords]*

Order for Second Reading read.

4.32 pm

The Minister for Employment Relations and Postal Affairs (Mr. Pat McFadden): I beg to move, That the Bill be now read a Second time.

I thought for a moment that the presence of the Leader of the Opposition, the shadow Chancellor of the Exchequer and so many grandees indicated a sudden interest in minimum wage enforcement. However, as I observe the backs of Members leaving the Chamber, I realise that that may not be the case.

The Government's employment policy is rooted in the clear principle that the pursuit of economic prosperity must be combined with the pursuit of social justice. We do not believe that society should be forced to choose between those two objectives, and as the economy has grown and employment has grown over the past decades, people in work have enjoyed a better deal. The Organisation for Economic Co-operation and Development said recently that for over a decade, the United Kingdom has sustained low inflation and rapid economic growth—an exceptional achievement, the fruit of strong policies and policy frameworks, which provide a strong foundation to weather global challenges. The OECD also praised sound institutional arrangements and regulatory policies that promote efficiency and economic resilience.

The International Monetary Fund has said:

> "Macroeconomic stability in the United Kingdom remains remarkable",

and that our

> "flexible and dynamic labour market"

is one of the United Kingdom's economic strengths.

We understand the pressures faced by families as a result of global factors, but our economic record is no accident. Combining economic prosperity and social justice is not just complementary: it has been essential to the continued success of the labour market in Britain. The Bill makes changes to the dispute resolution procedures for people at work, and it strengthens the enforcement of the employment rights for which this House has legislated. In doing so, it offers better protection for people at work and is also in the interests of the vast majority of reputable businesses who obey the law and treat their workers fairly.

Mrs. Nadine Dorries (Mid-Bedfordshire) (Con): I hope to be called to speak later as my interests are wide and varied, but for now I ask the Minister to inform me why he feels that this Bill is more important than the Human Fertilisation and Embryology Bill, which we should have been debating today?

Mr. McFadden: The House discusses many important issues, and I disagree with the hon. Lady if she feels that it is not important that the House debates minimum wage enforcement and the other subjects that the Employment Bill addresses. I am glad we have this opportunity to debate them today.

A clear, quick and effective enforcement regime will ensure that individuals are properly compensated if their rights are infringed. The Bill toughens enforcement of employment law by introducing new penalties for employers who do not pay the minimum wage, and it provides additional powers enabling employment agency inspectors to deal with rogue agencies.

The Bill will reform the mechanisms for dispute resolution by repealing the statutory workplace dispute resolution procedures and replacing them with a package of non-legislative measures to help employers and employees resolve disputes earlier.

Mr. Oliver Heald (North-East Hertfordshire) (Con): Does the hon. Gentleman agree with what Michael Gibbons said about these regulations: that they are inflexible and restrictive? Does he agree that this was an example of the policy being good but the execution being appalling?

Mr. McFadden: The Gibbons report said these reforms had been well intentioned but had had unintended consequences. That is precisely why we are repealing them and replacing them with non-statutory measures. We estimate that the changes contained in the Bill will produce annual benefits of some £177 million, and these measures are just a part of the wider simplification agenda, which is set to deliver benefits over and above that over the next three years.

In addition, the Bill clarifies the position of cadet force adult volunteers in relation to the minimum wage and permits the payment of a broader range of expenses to voluntary workers without triggering entitlement to the minimum wage. It also amends trade union membership law to comply with the European Court of Human Rights judgement in ASLEF *v.* UK.

I shall now turn in more detail to the measures in the Bill, beginning with those on workplace dispute resolution. In March 2007, the Government published Michael Gibbons' independent "Better Dispute Resolution: a Review of Employment Dispute Resolution in Great Britain" and an associated Government consultation paper, "Resolving Disputes in the Workplace". While the current statutory dispute resolution system is based on well-founded principles, the review highlighted several drawbacks in the way the system is operating, such as the inflexibility and high administrative burden of the mandatory procedures affecting both employers and employees, and that the road to the tribunal is fixed too early, resulting in a significant proportion of cases reaching a tribunal hearing which could have been resolved beforehand between the parties. Access to tribunals is an important part of the dispute resolution system and an important recourse for employees who may be facing mistreatment at work, but it is also the case that if disputes can be resolved more informally or earlier, perhaps through conciliation, that is to the benefit of all concerned.

The Government response to the consultation on dispute resolution shows that the responses were broadly supportive of the conclusions of the review. Some 76 per cent. of respondents favoured repeal of the 2004 procedures and only 20 per cent. opposed it. Clauses 1 and 2 provide for the repeal of the procedures and of linked provisions on procedural unfairness, but the review also made it clear that repeal of the statutory procedures must be accompanied by a package of other measures to encourage good practice in the resolution of workplace disputes and to ensure that Government-funded services promote early resolution as effectively as possible. So, to accompany the repeal, ACAS is revising its statutory code on disciplinary and grievance procedures. The draft code, which is out for public consultation, is concise and principles-based, and it will be supported by fuller non-statutory guidance.

Mr. Heald: The draft code does not seem to make clear the final date by which people must return their consultation replies. Is the Minister able to help by telling us what that date is? A date has been given in respect of the guidance—the end of this month—but it would be useful to know what the position is on the draft code.

Mr. McFadden: If the hon. Gentleman will allow me, I may come back to him on the precise date.

Michael Gibbons also argued for an incentive for compliance with the ACAS code. Clause 3 gives tribunals the discretion to adjust awards upwards or downwards by a maximum of 25 per cent. where they find that parties have unreasonably failed to comply with the code. The provision is designed to encourage compliance, but I emphasise that it is a discretionary power for employment judges to apply in the circumstances of the case, without the rigidity of the previous automatic link to the statutory procedures. The Gibbons review concluded that better advice and guidance and greater availability of conciliation as early as possible in a dispute could enable there to be more resolutions without recourse to the tribunal.

Mr. Charles Walker (Broxbourne) (Con): The Minister has said that the award can be varied upwards or downwards by 25 per cent. Will he explain to the House the circumstances in which there would be a downwards move?

Mr. McFadden: One such example might be where an employee had been found to have a case, but they had not complied with the code. Although they still had a case, the tribunal might judge that the award to them should be lowered by up to 25 per cent.

The Government are making substantial further investment—up to £37 million over three years—to improve the accessibility of the advice services provided by ACAS and to provide additional ACAS conciliation services for disputes before they become the subject of an employment tribunal claim. That is important, because we are not only repealing the statutory procedures in place; we are providing additional funding for the conciliation that we think can help to resolve more disputes earlier. ACAS has a good reputation among both employers and employees, and expanding its work in this way should give more support to the earlier resolution of disputes. Before I move on from discussing the Gibbons review, I am happy to inform the hon. Member for North-East Hertfordshire (Mr. Heald) that the closing date for the code consultation is 24 July.

The Bill also contains two legislative changes intended to maximise the effectiveness of ACAS conciliation. Clause 5 changes ACAS's existing duty to conciliate in cases that are not yet the subject of a tribunal claim, on request of the parties, into a power. That will enable ACAS to prioritise its case load effectively within its statutory powers. Clause 6 removes the time restrictions on ACAS's duty to offer conciliation to parties already involved in employment tribunal claims, thus ensuring that ACAS conciliation is open to parties right up until the tribunal hears the case. One of the effects of the current system has been that people's minds are often not concentrated fully until the tribunal hearing is almost upon them, and that provision will enable ACAS to continue to offer its services right up until that moment.

Michael Gibbons recommended that some tribunal cases, which hinge on the determination of facts in monetary disputes, could be dealt with more quickly. That could largely be achieved by changes to employment tribunal practice, but, again, legislative changes in the Bill provide support.

Clause 4 creates additional safeguards, should the Government decide to activate as yet unused powers for employment judges to decide cases using written evidenee without a hearing. Clause 7 simplifies the process for claimants who have suffered direct financial losses arising out of the employer's non-payment of money due—such losses could arise as a result of bank charges for unauthorised overdrafts. In those circumstances, the tribunal would be able to make an additional award against the employer to provide compensation for such losses, rather than leaving the claimant to bring a separate action in the small claims court.

Mr. Heald: The Minister will know that tripartite decision making in the tribunals is strongly supported. The ability of laymen from the employers' side and the employees' side to be part of the decision making is very important. Will what he has just said affect that in any way? Will we see more cases dealt with just by the chairman—the lawyer—and fewer dealt with by the lay members, who bring their important knowledge to bear?

Mr. McFadden: I agree about the value of lay members to the tribunal process, but the hon. Gentleman will be aware that it is not unheard of for tribunal judges to sit alone in some limited jurisdiction cases. We are talking about the capacity not only for tribunal judges to sit alone, but for them to decide cases without a hearing, in limited circumstances that are set out in the clause to which I referred.

The national minimum wage has been one of this Government's proudest achievements. It was opposed by many, including the Opposition, before it was established. I see that the hon. Member for Perth and North Perthshire (Pete Wishart) is in his place, but his party did not turn up for the vote on Third Reading. Despite that, it has become an important and widely supported foundation of fair treatment in the labour market. Some 1 million workers continue to benefit from the assistance of the minimum wage.

Last week, the House approved regulations increasing the hourly rate from £5.52 an hour to £5.73 from October this year. Historically, low-paid groups have benefited more than most, including part-time workers and low-paid women. Since the introduction of the minimum wage, the lowest paid have seen their pay increase more quickly than the pay of many other workers.

[Mr. McFadden]

The vast majority of employers willingly comply with the legislation, but that is not always the case and there are exceptions. Most businesses want to obey the law and treat their staff fairly but there are those who are willing to break the law by denying their staff the minimum wage. That impacts on those workers who are underpaid, but also enables those dishonest employers who flout the law to undercut the vast majority of law-abiding businesses that comply. That is not only unfair, but uncompetitive, and through the measures in this Bill we are determined to take tougher action against it.

We will crack down on the minority of rogue employers who fail to comply with the minimum wage. Between 2003 and 2006, we completed some 15,000 investigations and identified underpayments totalling £9.6 million. In the past year, the Government have helped to restore more than £3 million in arrears to more than 14,000 workers.

Mr. Walker: In the Minister's experience, which sectors of our economy are most prone to breaking the law relating to the payment of the minimum wage?

Mr. McFadden: It is the traditionally lowest paid sectors. For example, this year we have targeted minimum wage enforcement on the hospitality industry, which has a record of low pay. Most employers in that industry are happy to abide by the law, but we have seen some cases of underpayment. We consulted last year on proposals for a new penalty for underpayment of the minimum wage and a fairer way of calculating arrears. Our conclusion was that the enforcement regime should be strengthened in several respects.

Clause 8 amends the method of calculating arrears owed to those who have been underpaid. They are currently paid at the rate in force at the time when the underpayment took place, which means that when arrears are paid to cover underpayments that took place over several years, the worker loses out from the upratings that have taken place in the meantime. The Bill will change that so that all arrears owed are paid at the current rate, helping to compensate for the potential loss of purchasing power since the offence originally took place.

Clause 9 introduces an enhanced penalty regime, reflecting the serious view taken by the Government of employers who still do not comply with the National Minimum Wage Act 1998. Under the new regime, employers will be liable to a penalty if it is found that they have been making underpayments. The penalty will be based on the employer's level of non-compliance—that is, the total amount of underpayment—subject to a minimum penalty of £100 and a maximum of £5,000. We want to encourage quick repayment, so the penalty will be reduced by one half if the employer repays all arrears to workers within 14 days.

Mr. Walker: One thing that concerns many people in the House, particularly in relation to the hospitality industry, is the handling of tips. Will the Minister take any action against those restaurants and establishments that include tips as part of the salary, as opposed to treating them as a gratuity paid by the customer to a member of staff for excellent service?

Mr. McFadden: We have had representations on the subject, including from my hon. Friend the Member for Paisley and Renfrewshire, North (Jim Sheridan), who has been very active on that matter. To clarify, everybody in an industry where tipping is common is entitled to the minimum wage, but when tips and gratuities are processed through the payroll of the employer it can, at the moment, count towards the minimum wage. That issue has been raised and my right hon. Friend the Secretary of State has said that he is looking into it.

Clause 10 ensures that officers enforcing the minimum wage can take records relating to it in order to make copies of them. Clauses 11 and 12 enhance the way in which we can deal with the most serious offenders by increasing criminal investigative powers and enabling offences to be tried in a Crown court with the prospect of an unlimited fine.

The Low Pay Commission said in its report last year:

> "We welcome this determination to tackle recalcitrant employers, especially as evidence presented to us during our consultations over the last few years has highlighted the ongoing problem of non-compliance."

Those changes will ensure that everyone who is caught not paying will pay a penalty, with a potentially unlimited fine for the most serious cases. They send a strong message that paying the minimum wage is not an option but a requirement that must be taken seriously. Coupled with an increase in the enforcement budget of £11.6 million over four years, the measures underline the Government's commitment to securing the fairest outcome for all.

As I said, good employers have nothing to fear from the changes. In fact, it is in their interests that there should be a tough enforcement regime that stops illegal underpayment of the minimum wage.

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): Will the Minister give the House an idea of the number of serious cases that the powers in the Bill are designed to deal with? We are giving considerable investigative powers and powers to deal with serious cases on indictment. Therefore, will he give us some idea of how many cases we are talking about?

Mr. McFadden: Most employers are happy to pay when the problem is pointed out. I can give the hon. Gentleman the figures for last year as an example. The total number of employers who were found to be non-compliant with the minimum wage was 1,640. The total number of workers involved was just over 19,000 and the average arrears per worker were £202. That gives some idea of the scope of non-compliance that we know about at the moment.

Lorely Burt (Solihull) (LD): Will the Minister say how many non-compliant employers have been prosecuted as a result of not paying the minimum wage?

Mr. McFadden: According to the figures from last year, 59 enforcement notices were issued and 25 penalty notices. The emphasis has been on compliance. It is partly because we think that that needs to be strengthened that we are proposing the changes. Prosecution will still take place only in the most serious cases, but we think it right that there be a penalty for employers caught not paying the minimum wage.

Jim Sheridan (Paisley and Renfrewshire, North) (Lab): My hon. Friend will be aware that there is a national minimum wage for agricultural workers in Scotland, although it is under threat from the SNP Administration, who will scrap the Scottish Agricultural Wages Board. Is there anything that my hon. Friend's Department can do in that event?

Mr. McFadden: My hon. Friend raises an important point. If anyone wants to know about the attitude of the SNP to the minimum wage, they should look not just at events a decade ago, when SNP Members did not even bother to turn up to vote for the minimum wage, but at their current proposals which, as he says, place a question mark over the Agricultural Wages Board for Scotland. I am sure that people in Scotland will have taken note of that question mark and are asking why such a thing should be the case.

Emily Thornberry (Islington, South and Finsbury) (Lab): Will my hon. Friend help us by giving some examples of non-compliance, so that people have a clearer idea why we need enforcement?

Mr. McFadden: I have already given the House some figures on non-compliance. As I said, 1,649 employers were found to be non-compliant last year and the average arrears per worker are £202. For someone earning £5.52 an hour on the minimum wage, £202 is a lot of money, which is precisely why we want to strengthen the enforcement regime to send a clear signal that arrears should not be regarded as an interest-free loan from employers to employees but should attract a penalty when discovered.

Sarah Teather (Brent, East) (LD): Has the Minister considered representations made by the unions and by my hon. Friend the Member for Twickenham (Dr. Cable) to the effect that employers should pay interest on arrears so that they do not have an interest-free loan at the expense of their employees?

Mr. McFadden: The payment of interest has been raised with us, but it would take us into complicated areas with regard to the tax treatment of the interest. I am sure that the hon. Lady would not want workers on the minimum wage to have to fill out a separate tax return simply because they had received a small amount of interest. Unfairness was developing in the way in which arrears were being paid because, as I said, upratings were not being taken into account. By taking upratings into account and paying all arrears at the current rate, even if the underpayment goes back several years, we shall deal with the issue of what could, in effect, have been an interest-free loan.

On cadet force adult volunteers, when the minimum wage was introduced, it was designed to enable the voluntary sector to continue to operate successfully and with certainty within the law, while minimising the chance of sub-minimum wage jobs emerging which could be unfairly badged as volunteering. Last year's consultation showed that the rules were working well on the whole, but it also indicated that there was a need to clarify the position for cadet force adult volunteers, who occupy a unique role, as they are linked to the armed forces and undergo special training and security clearance. Cadet force adult volunteers devote a large amount of time and energy to engaging 130,000 young people in the cadet forces. I think the whole House will agree that we should be grateful for their dedication to making a positive difference to the lives of so many young people. Any confusion that may arise about eligibility for the minimum wage could seriously damage the ability of the cadet forces to continue to provide their services. For that reason, clause 13 amends the National Minimum Wage Act 1998 to make it clear that cadet force adult volunteers do not qualify for the minimum wage. I stress the fact that the provision does not change the current situation, but puts it beyond doubt in law. It will enable cadet force adult volunteers to operate exactly as they do currently and it will not affect any entitlement to the minimum wage that they may have outside cadet force activity.

In addition to clarifying the position of cadet force adult volunteers, we have taken the opportunity to extend the range of expenses that voluntary workers can receive without triggering eligibility for the national minimum wage. That issue has been raised with us a number of times by voluntary organisations. Again, I am sure that hon. Members on both sides of the House want the voluntary sector to thrive and unnecessary barriers to volunteering to be removed.

Currently, voluntary workers can be reimbursed for expenses incurred only in the actual performance of their duties. That was designed to ensure that extra expenses were not used as a method to avoid paying the minimum wage. However, voluntary workers clearly necessarily incur expenses to perform their duties, such as those involving child care, travel or the cost of specialist clothing or equipment. We recognise that voluntary workers should not be financially burdened as a result of their activities. Clause 14 will therefore enable voluntary organisations to reimburse such expenses where they are legitimate. That will enable voluntary workers to continue to make their highly valuable contributions to society, while ensuring that they are not out of pocket in doing so.

Lorely Burt: I wonder whether the Minister can explain to the House the reasoning for excluding accommodation costs.

Mr. McFadden: Accommodation can be directly provided, as part of a voluntary activity, but we were not keen to have what could be large amounts of rent changing hands. Large sums could be involved, and that could take us into a grey area in deciding what was expenses and what was not. So we have widened the definition, and accommodation can be directly provided. That is the judgment that we reached on the issue.

Clauses 15 to 17 will change the enforcement of employment agency legislation. Under the Employment Agencies Act 1973, any breach of the Act or the regulations made under it that govern employment agencies is a criminal offence capable of being tried in a magistrates court. By making offences triable either way, as the Bill will do, we aim to increase deterrence against non-compliance by the prospect of the unlimited fines available in the Crown court for the worst offenders. Stronger investigative powers, including the right to take away documents to copy and to request financial information

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on non-compliant agencies held by financial institutions, should also enable more successful prosecution of the worst offenders.

Alongside the strengthening of the enforcement powers, we are doubling the number of inspectors appointed under employment agency legislation. That will provide important additional resources, both to help legitimate agencies that seek to comply with the law and to enable inspectors to crack down on non-compliance.

Finally, the Bill will amend trade union law to ensure that it complies with the European convention on human rights, following the judgment of the European Court of Human Rights in the case of ASLEF *v.* the United Kingdom. According to that judgment, the current limitations on the ability of trade unions to exclude or expel individuals on the grounds of their membership of a political party breach article 11 of the convention. Clause 18 will therefore amend the sections of the Trade Union and Labour Relations (Consolidation) Act 1992 that gave rise to the ASLEF *v.* the UK case. The case involved the inability of ASLEF to expel members of the British National party whose views were incompatible with those of the union.

Jim Sheridan: Will my hon. Friend perhaps expand on the ECHR ruling on European law? Given that most, if not all, trade unions have a rulebook agreed by the members and that, when someone joins a trade union, its rules are made perfectly clear, why is it not acceptable for trade unions to expel someone for breaking the rules when an employer can do so?

Mr. McFadden: The ECHR discussed such rights in the ruling. Of course, there are rights to expression and freedoms of association, and the ruling touches on both. During the Bill's progress through the other place, there was much discussion of that issue, and the Government decided to amend clause 18 to add additional safeguards on the use of such powers. The version in the Bill also takes into account the views of the Joint Committee on Human Rights and others who felt that that the clause did not provide sufficient safeguards against possible abuse. They argued in favour of greater protection for individuals. The clause, although amended, still provides for compatibility with the judgment of the European Court of Human Rights. As long as trade unions act responsibly—I believe that they will—they should be able to act in accordance with the judgment.

The Bill makes important changes to key areas of employment law, especially with regard to the effective enforcement of the laws passed in this Parliament. It will save businesses and individuals time and money through a widely supported reform of the dispute resolution framework. It provides more rigorous enforcement of the minimum wage and employment agency standards to benefit both the low-paid and the law-abiding businesses. It also clarifies the position of cadet force adult volunteers, who do such valuable work in the community, and allows necessary expenses to be paid to individuals carrying out voluntary work. It also makes necessary changes, as a result of an ECHR ruling, to trade union membership law.

All in all, the Bill continues support for economic prosperity and fairness in the workplace, which we have promoted over the past decade. We have one of the highest employment rates in the G8 and among the lowest unemployment rates. We are rated by the World Bank as one of the best countries in the world in which to do business. We want to keep that record and to ensure that Britain is also one of the best countries in the world in which to work. I commend the Bill to the House.

5.6 pm

Mr. Jonathan Djanogly (Huntingdon) (Con): For the past decade, businesses of all sizes have had to cope with the steady drip, drip of employment legislation. Since 1997, the Government have introduced some 18 Acts and more than 280 statutory instruments dealing directly with employment, which have often left employers bemused, baffled and bewildered by the negative implications for UK employment. Last autumn, pre-credit crunch, a survey by the Federation of Small Businesses found that nearly 80 per cent. of small business owners handled paperwork themselves, and that a third of those businesses claimed that they would not be hiring new staff because of bureaucratic complexities. It is by that and other means that the Labour Government are continually damaging the flexibility of the UK's labour market.

Only a few weeks ago, a further deal was done between Labour and the trade unions to tamper with the laws on agency workers, which could be very damaging for already overburdened businesses. The Government made that massive and costly concession to their Back Benchers. They have fought in Brussels against the European agency workers directive for the past five years, but the sad reality is that they could no longer handle the pressure back at home. It is a testament to the Prime Minister's weakness that Britain's economic interests are being weighed up as less significant than his political survival.

I am glad that the Secretary of State for Business, Enterprise and Regulatory Reform finally seems to recognise that the Government have gone too far. He recently admitted—of course, this was after the Government had passed 298 employment laws—that there was a

> "need to challenge the automatic assumption that the only way to deal with exploitation in the workplace is by passing new laws."

That is certainly something to support, but judging by the latest trade union wish list that has been floating around the media in advance of the Labour party's Warwick discussions, he will have a big fight on his hands. As we enter this period of economic instability, it is critical that the Secretary of State ensures that flexibility remains a cornerstone of our labour market so that if unemployment begins to rise businesses have the proper flexibility to organise their work forces and can weather the storm. It is with that in mind that I shall examine the provisions of this latest Employment Bill.

First, however, may I say that while the Bill's passage through the Lords lasted for months, we were given only a few days' notice of the debate, which was not ideal and not conducive to allowing Members to participate? Additionally, the Secretary of State has pulled out of leading on a Bill that he wishes to push through at such short notice, and we believe that that deserves some explanation from a Minister, perhaps during the wind-ups.

Mr. Angus MacNeil (Na h-Eileanan an Iar) (SNP): I hear what the hon. Gentleman says about participation. Is it not indicative of what he says that only four Labour MPs are present to hear the debate on the Bill?

Mr. Djanogly: The hon. Gentleman makes a fair point. It is the second time that such a thing has happened; only a few weeks ago, the Secretary of State failed to lead the debate on the Regulatory Enforcement and Sanctions Bill. There are key Government Bills on deregulation and employment law, but the Secretary of State has not led on them. Business can draw its own conclusions from that.

Jim Sheridan: If, as the hon. Gentleman suggests, employment legislation can lead to high unemployment, why is it that when his party was in office, 3 million people were unemployed, but during our party's time in government there has been very low unemployment? What does that have to do with employment legislation?

Mr. Djanogly: I will not answer that question, which is a thesis point, in any depth, mainly because I never said what the hon. Gentleman claims I said. My hon. Friend the Member for Mid-Bedfordshire (Mrs. Dorries) may have had a point when she said that perhaps the Government wanted to avoid a debate on abortion today because of the by-election on Thursday. We can only speculate.

Emily Thornberry: Will the hon. Gentleman assist us on one point? He seems to be saying that, on the one hand, flexibility is the cornerstone of our economy, but, on the other hand, we do not have flexibility. May I prod him a little more and ask him why, when we have the highest employment rates and the highest number of people employed, he continues to complain about the markets not being sufficiently flexible? Will he please explain that to us?

Mr. Djanogly: The hon. Lady talks as though there are absolutes of flexibility. There are no absolutes. The Conservative Government left a relatively flexible economy in place, but it has steadily become less flexible under this Labour Government.

The first aspect of the Bill that I wish to discuss is the clauses dealing with dispute resolution. Clause 1 repeals clauses and schedules of the Government's Employment Act 2002 and removes the statutory procedures for resolving disputes in the workplace in their entirety. We support that conceptually, but it should be appreciated that that is a desperately embarrassing U-turn for the Government, who doggedly defended the procedures when the provisions in the 2002 Act were initially examined by the Standing Committee.

It would serve as a useful reminder of the cost of that change of heart, both in terms of the House's time and taxpayers' money, if I ran through some of the warnings that my hon. Friends gave the Government about the existing statutory procedures, and highlighted some of the Government's reasons, now proven to be flawed, for implementing that legislation. In debate in the Standing Committee, on 13 December 2001, my hon. Friend the Member for Tatton (Mr. Osborne) quoted a number of parties' misgivings about the statutory procedures. The Engineering Employers Federation argued that the

> "the proposals are unclear, complicated and might prove counter productive."—[*Official Report, Standing Committee F,* 13 December 2001; c. 139.]

The Law Society said that they would "undermine the ACAS...Code."

ACAS has been in existence since 1975, and it is dedicated to preventing and resolving employment disputes. When the Employment Act 2002 was passed nearly 30 years later, it made reference to the ACAS code but did not implement it in full. That was clearly a mistake, and it has led to much confusion for both employers and employees.

Mr. Heald: Is not my hon. Friend being characteristically generous in his comments about the Government? Did not a 1994 Green Paper include the proposal, although the Conservative Government did not go ahead with the idea of internal procedures having to be dealt with first? Ian Lang, the Secretary of State for Trade and Industry, said at the time that the

> "the reservations expressed by many responding to the Green Paper that the proposal to require employees to attempt to resolve disputes with their employers before being able to make an application to an industrial tribunal might lead to increased delays and complexity in tribunal procedures, rather than alleviating them."—[*Official Report,* 20 November 1995; Vol. 267, c. 20W.]

In other words, he got it right three or four years before Labour came to power.

Mr. Djanogly: I thank my hon. Friend for his important contribution. The issue goes even further. If we look through the record, we see that even the trade unions, the Labour party's close friends, had misgivings at the time. The TUC expressed its concerns over the "potential confusion" between the proposed legislation and the widely supported ACAS code.

However, the right hon. Member for Kingston upon Hull, West and Hessle (Alan Johnson), then Minister with responsibility for employment relations, was undeterred by such criticism. His response was to say:

> "We have set out a minimum three-step procedure because that is the right direction in which to move"—[*Official Report, Standing Committee F,* 13 December 2001; c.142 .]

He even implied that employment disputes would be simplified, as the Employment Bill as it was at that time had fewer provisions than the ACAS code. However, at some point the Government decided that the three-step procedure was not the right direction to take. The measures came into force in October 2004, and the Government spent the following years trying to undo the legislation that they themselves created.

In March 2006, less than two years after statutory procedures were introduced, the Government published a policy statement rather grandly called "Success at Work", in which they announced that a review of the dispute resolution regulations was necessary. In the course of the next few months, they came clean about the fact that a full review of all dispute resolution procedures was needed. The then Secretary of State for Trade and Industry admitted that the time, cost and stress involved in settling disputes could be reduced by making changes.

As my hon. Friend the Member for North-East Hertfordshire (Mr. Heald) has noted, the consequent review, undertaken by Michael Gibbons, found that the procedures, as they stood at the time, involved a high

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administrative burden for both employers and employees; that they resulted in the need to use formal mechanisms such as the laying down of red tape, although previously disputes could be informally resolved; and that they were over-complex and the penalties for failing to observe them resulted in employers and employees seeking external legal advice earlier than in the past. That last consequence is of particular interest as the Government claim in their explanatory notes to the new Employment Bill that it was unforeseen. We beg to differ.

In a Committee discussion on 18 December 2001, my hon. Friend the Member for Runnymede and Weybridge (Mr. Hammond) pointed out to the Minister with responsibility for employment relations that the Government's dispute resolution procedures

"would open the door for yet another lawyers' bonanza."

My hon. Friend continued his warning to the Minister by arguing that there existed a need

"to establish certainty so that employers and employees can enter contractual arrangements knowing that they are compliant with the law without having to get involved with lawyers."—[*Official Report, Standing Committee F*, 18 December 2001; c. 178.]

He then questioned the suitability of the proposed and subsequently implemented legislation for achieving that certainty. The Minister's response was that the procedures were designed to be simple and easy to understand and that uncertainty should not arise. At least now, by proposing to repeal said statutory procedures, the Government are admitting that that over-simplistic assessment was utterly wrong.

The problem is that this is yet another occasion on which Labour has got it wrong. Last week's Regulatory Enforcement and Sanctions Bill, which the Minister and I recently debated, was its third attempt at reform, and this is its second attempt on dispute resolution procedures. What the Secretary of State said about less employment legislation is the opposite of the case—not only are we seeing more and more employment legislation, but a good part of it is an attempt to patch up previous, failed labour laws.

We support the existence of a national minimum wage and the continual monitoring of the legislative provisions dealing with it. We also support action to ensure that workers who receive the minimum wage do not lose out in real terms when they are owed arrears as a result of underpayment. The current law gives almost no deterrent to underpayment, and we would welcome its amendment.

However, we have concerns about certain aspects of this area of the Bill and we would like to hear more from the Government. They claim that they expect the new penalty measures under clause 11 to increase the deterrent effect on businesses that do not currently pay the national minimum wage. The Minister has said that some 1,600 employers were found to be non-compliant, but last year only very few cases of underpayment were deemed bad enough to lead to the issue of one of the Government's penalty notices. Other cases led to the employer paying arrears, but in no way being punished for the illegal underpayment. The Government have also said that only 5 to 10 per cent. of cases will result in the imposition of a penalty under the new legislation; it is therefore unclear to us how the new penalty, applied to only a small fraction of cases, will act as more of a deterrent than the currently rarely applied penalty notice. The Minister shook his head at my figure of 5 to 10 per cent., and I would be grateful if he put me right on that. While the proposal to allow enforcement officers to be able to withdraw and replace notices of underpayment is beneficial as errors may be corrected, the potential disadvantage, as with the current penalty notice regime, is that there are no real incentives for officers to get the notice right first time. Officers may issue an incorrect notice, put the employer to the trouble and expense of appealing it, and simply start again when they recognise their error. As with so many of the Government's attempts to make things better, there is potential for red tape and bureaucracy to mar the process.

We strongly oppose the suggestion made in the other place on 13 March that the national minimum wage be extended to foreigners working on British ships and foreigners working on any ship at any time when it is within British territorial waters. Broadly speaking, we are concerned that those changes could be made prematurely, and we shall look to the Minister to address those concerns. I note that he did not comment on the report by the TUC's commission on vulnerable employment. Perhaps he could comment on the Government's findings on that report in relation to the proposals in the Bill. I urge that any changes that are made be implemented with maximum publicity. All employers must be given the opportunity to assess their companies and to correct any failings in payment of the national minimum wage before the new penalties are imposed. Have the Government yet given any indication of the expected costs of the new powers in enforcing the minimum penalty? If not, it is difficult to assess whether the proposals are the best way forward in protecting low-paid, vulnerable workers.

The Minister concluded with the provisions on trade union membership, and I shall do the same. I therefore turn to clause 18, which, as he said, represents a response to the judgment made on 27 February last year by the European Court of Human Rights in the case of ASLEF *v.* the UK. The clause enables trade unions to prohibit or expel from their organisation an individual who belongs, or has belonged to, a particular political party. It amends the relevant sections of the Trade Union and Labour Relations (Consolidation) Act 1992. To our mind, the clause represents yet another rewrite of inadequate provisions that the Government introduced just four years ago.

Jim Sheridan: The hon. Gentleman clearly has a jaundiced view of trade unions. Perhaps I could point out that his party's candidate in the Glasgow, East by-election goes out of her way to tell people that she is a member of a trade union and has said as a matter of public record that trade unions are a force for good. What does he say to her?

Mr. Djanogly: I can only tell the hon. Gentleman that the shadow Secretary of State for Business, Enterprise and Regulatory Reform and I joined the TUC's commission on vulnerable employment, contributed to its report and attended one of its evidence sessions. We have taken an interest in the trade unions' viewpoint on this matter, which is why I ask the Government to do likewise. Perhaps they are embarrassed and do not want to bring them into the discussion. I am helping the hon. Gentleman by bringing the unions' case on to the Floor of the House.

The Employment Relations Act 2004 introduced measures to allow trade unions to expel members with extreme political views. The then Minister with responsibility for employment relations, the hon. Member for Bradford, South (Mr. Sutcliffe), hailed the new provisions as striking the right balance between workers, trade unions and employers. He argued that they would provide "protections for workers" and said that he believed that successful workplaces are founded on partnerships between employers, workers and their representatives. That is all well and good—how different, though, from the position of the Government today. The current Minister seems to have no qualms about throwing the interests of the aforementioned workers and employers out with the bath water in order to allow the trade unions to sit at the top table and call the shots. These, of course, are the same trade unions that now provide more than 90 per cent. of the Labour party's donations, as opposed to the 55 per cent. they provided when the earlier provisions were on the table. I agree that it is appropriate to respond to the ASLEF decision, but we have concerns about clause 18.

We are pleased that the Government have accepted the much-debated amendment to clause 18, first proposed by the Joint Committee on Human Rights, and introduced by the Liberal Democrat Lord Lester of Herne Hill in the other place on 13 March. The decision to expel a trade union member will be unlawful if

> "the decision to exclude or expel was taken otherwise than in accordance with the union's rules"

or established procedures, or if the exclusion or expulsion would prejudice the individual's livelihood or conditions of employment. That is a fair starting point for dealing with the sometimes conflicting rights of trade unions and their own members. It should ensure that a heavy-handed union boss cannot usurp the internal rules to which members sign up. It prevents trade unions from throwing out members purely on the basis that the opinions of the member differ from the union's own ideals. It should also prevent unions from exerting power beyond their remit, thereby protecting the employment status of union members expelled under the clause. However, in order to protect union members from over-bearing union officials who may wish to impose their will unfairly, it would be preferable for stronger boundaries to be drawn around the clause.

Clause 18 is silent on determining the organisations that are classified as political parties. That could allow trade unions to flex their muscles and evict individuals who are members of organisations with which the union clashes. Is it truly the intention of the ASLEF decision that membership of politically active organisations such as Greenpeace or Amnesty International should be grounds for eviction from a trade union? I do not think that that is intended. More thought needs to be put into the drafting of clause 18 if we are to prevent unions from imposing their political biases on their members.

I also find the application of the clause to former membership of a political party somewhat worrying. Why should a 40-year-old employee, for instance, face the possibility of being evicted from a trade union on the basis that he was a member of a certain political party for a short time when he was a student? That aspect of the clause represents a one-size-fits-all approach typical of much of the union legislation of the old days, and maintains a definite air of retrospective punishment. Lord Bach argued that tighter wording in clause 18 was not necessary, as disgruntled expelled trade union members can make a complaint to the certification officer. I met the certification officer recently to discuss his role and the powers that he has been given, and on the basis of what he reported in that meeting I do not think that the Government's argument holds much sway. By his own admission, the certification officer has very weak powers of inspection, and is not able to issue penalties to unions. That regulator is a relic of the trade union settlement of the 1940s and 1950s, rather than an effective, modern-day regulator, and it requires reform. The situation shows how little the Government think about the protection of individual trade union members as opposed to the unions themselves.

Finally, we may be looking at the response to ASLEF from the wrong perspective. All in the House today would agree that many, if not most, of the BNP's policies are abhorrent, but it is still classified as a political party, membership of which is not, per se, illegal. Should not eviction from a trade union still essentially be for reasons of improper conduct, rather than based on a blanket, one-size-fits-all attitude towards membership of a particular political party? On the final day of Grand Committee in the other place, Baroness Perry of Southwark said that the Minister remained open-minded on clause 18, and Lord Bach said that the Government remain open to others' views on the clause. I hope that that is truly the case, and that the Government take full account of the arguments made today.

Looking at the Department for Business, Enterprise and Regulatory Reform legislative programme, I find increasingly that we are on some kind of merry-go-round, with Ministers calling for fewer laws, but doing the exact opposite. Ministers try to give the impression that they know where their party is heading, while in reality their union-led Back Benchers are not only calling the shots but regularly rebelling when they do not get what they want. At a time when British business is entering difficult waters, the last thing it needs is a Government who say one thing and then cannot deliver.

5.29 pm

John McDonnell (Hayes and Harlington) (Lab): This is the first time that I have been accused of calling the shots on Government legislation. *[Interruption.]* I know, although I will try to get through this speech without any further references to by-elections in Glasgow.

My entry into this debate comes from my promotion last year of the Trade Union Rights and Freedoms Bill, which not only was supported by the TUC unanimously at congress, but received the support of action required by the Labour party conference. My Bill resulted from our experience in my constituency with Gate Gourmet. A large number of my constituents, largely Asian women, who were working for Gate Gourmet, a company that received contracts outsourced from British Airways, went to work one morning and were herded into a shed. A manager then came forward and sacked them by megaphone for refusing to sign up to new terms of work that would undermine their conditions, cut their pay and even threaten their pension status.

At that time, we were looking for new legislation that would provide protection to those workers. However, some hon. Members will also recall that other members

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of the Transport and General Workers Union at the airport spontaneously came out on strike in solidarity. The airport is like a mining village. People work in different sections of the airport and for different companies. Many worked for companies to which contracts had been outsourced by British Airways and had worked with each other in the past. Indeed, many were members of the same family working in different areas, so there was a natural feeling of spontaneous support for the workers, largely women, who had been sacked so brutally by Gate Gourmet.

The workers therefore came out on strike. As a result, the TGWU was threatened with tens of millions of pounds—the figure quoted was about £42 million—in fines by the aviation industry, which threatened to break the union. Eventually, the workers had to go back to work. Although the union did its best, some individuals suffered severe detriment, in both wages and conditions. Indeed, some of them are still not even back at work, despite all the union's hard work and best endeavours.

It was in that climate that I expected the Employment Bill to reflect the concerns of trade union members, as well as members of the community throughout, and to reflect the Trade Union Rights and Freedoms Bill, which we sought to promote last year, because such incidents continue. Only last week we had a debate with the Minister present—I am grateful for his help in the discussions that we are having—because the Bakers, Food and Allied Workers Union had come forward about the Lyndale group. For three years, Lyndale had been planning to restructure, but without consultation with the trade unions. Lyndale went into administration, but within hours established itself as a new company trading in exactly the same way, laid off 700 workers, avoided its responsibilities for redundancy payments and, again, frogmarched some workers off its site.

That is no way in which to treat workers in this day and age. The reason why companies can treat workers so is that we have fewer trade union rights now than we had in 1906, after the Taff Vale judgment. We still do not have the right to strike embedded in law and we no longer have the right to solidarity action. As a result, the reality of work for many people is that they are exploited and feel unprotected, so I was hoping for a more ambitious Bill than this one.

I would like to set out those areas in which some of us will seek to amend the Bill in Committee and on Report to improve the situation, so that people can be represented properly by their trade unions, and so that industrial harmony can break out. Respect for trade union rights has been fundamental for co-operation between workers and employers for two centuries now, and has produced an industrial climate that has been beneficial to both sides of the industry, as well as to the community overall. I would like to go through those elements of the Bill that I would like to be amended and which I hope will form the agenda for later debate. Other Members on our Benches have issues that they would like to raise for amendment, too.

The first issue that I want to discuss is industrial action. There is currently no right to strike in law in this country, although we have the right to be protected for a limited period from employers' attempts to threaten actions on breach of contract. In their most recent legislation on the issue, the Government improved the situation by extending the period of protection from eight to 12 weeks, but the right to strike is still not embedded in law, as it is across Europe. Furthermore, no protection is provided after 12 weeks, and I would like the Bill to be amended so that employees are given protection for an indefinite period when they go on strike. They should also have the right to take action if an employer takes action against them, unless the employer can prove that the detriment to, or the sacking of, a member of staff is not related to the industrial action.

Even though people are protected for 12 weeks and action can be taken if they are sacked or suffer detriment, the Bill also fails to amend current law under which there is no effective way for them to ensure that they are reinstated. Their trade union may introduce a reinstatement order on their behalf following action by their employer, but such orders are made in only 0.2 per cent. of the cases that are brought, and few are implemented. I would therefore like the Bill to be amended to make effective the protection that people have when they take industrial action.

The Bill also relates to agencies. We successfully introduced legislation to prevent agencies from being used to bring in workers to break strikes, but a loophole continues to exist, and agencies are still used to bring in strike-breaking workers. Indeed, in the Gate Gourmet case, the employer prepared well in advance by recruiting agency workers. I would like us to use a provision from the Trade Union Rights and Freedoms Bill to amend this Bill by placing a duty on the employer to inform the agency when a dispute takes place. At the moment, agencies often argue that they are unaware of such disputes.

Unfortunately, the Bill also fails to consider ballot arrangements. The balloting process that trade unions currently have to undertake is complex and in many ways invites litigation and injunctions from employers. The Government need to examine a simplified notice system, which would benefit all sides. The employer should be given notice of future industrial action, but the amount of information required should be significantly reduced. For example, we have seen a number of disputes in which injunctions have been taken out against individual trade unions for not giving full information regarding the number, names and addresses of employees or the places where they work. Such requirements no longer reflect the modern workplace, where employees are moved from time to time, making it difficult to keep track of them, particularly when there is an element of outsourcing and contracts have been delegated to individual companies. I would like the Government to reconsider the issue, because it is in everyone's interests that we introduce a simplified procedure for giving notice to the employer, which requires less information about the number of employees who will participate in the dispute. In that way, we would overcome the unnecessary difficulties and, often, conflicts that embitter disputes as a result of the notice requirements in existing legislation.

We recently had an extensive debate in Westminster Hall on the minimum wage at which the Financial Secretary to the Treasury was present. We hoped that the Bill would address a range of the issues that were raised, and although I welcome the fact that it addresses some of them, there are many outstanding ones. I still have a number of concerns—other hon. Members mentioned them during that Westminster Hall debate—including the Government's failure to reconsider the youth rate of the minimum wage. It is perplexing for many of us that the youth rate discriminates against younger workers. There are currently three national minimum wage rates based on age; workers between the ages of 16 and 17 receive £3.40 an hour, workers between the ages of 18 and 21 get £4.60 and workers aged over 22 get £5.52 an hour. What that means for the 16 to 17-year-olds is an annual wage of £6,630; and for the 18 to 21-year-olds, it is £8,970. I believe that those are poverty wages, and I find it almost impossible to understand how anyone, particularly an 18 to 20-year-old, could survive on a wage of £8,970 a year. Even for the over-22s, the annual minimum wage is only £10,764. These are poverty pay rates.

My hon. Friend the Member for North Ayrshire and Arran (Ms Clark) laid early-day motion 329 before the House on the issue of the national minimum wage for young workers, and it was signed by more than 100 Labour Members. It called on the Government

> "to take steps to remove the age discrimination in the national minimum wage and establish one rate for all workers irrespective of age."

I regret that that principle has not been embodied in the Bill.

The hon. Member for Huntingdon (Mr. Djanogly) referred to seafarers—again, in the recent Westminster Hall debate, we also asked that the Bill consider their position. I know that my hon. Friend the Member for North Ayrshire and Arran will also dwell on that subject. Speaking as someone who has steered debates on seafarers through the House for the past five years or longer, I have to say that I am extremely disappointed that the Bill does not even look at the current problem. I have discussed the issue with the Clerks, however, and found out that it will be in order to amend the Bill to deal with the matter later.

Some Members will know the background to that debate because they have participated in it with me over the years. For a number of years, the Race Relations Act 1976 exempted shipping, so shipowners were able to discriminate in the payment of their workers on the basis of race. The European Union asked the Government to look again at the matter and there was a long campaign, organised by the National Union of Rail, Maritime and Transport Workers, in response to which the Government committed themselves to review the issue of discrimination on racial grounds, which meant that two seafarers doing exactly the same job on a British flagship were being paid differential rates based on their race. Most of us found that morally abhorrent, as it was dramatically perpetuating the exploitation of workers on low rates of pay.

We campaigned and the Government responded, telling us that they would reform the law, but the reform that they introduced was unacceptable—the Government amended the legislation so that it could no longer discriminate on grounds of race, but discrimination on grounds of nationality continued. Most of us find that distinction almost impossible to fathom. We thought we had gained at least one concession when a former Minister gave a commitment to the Regulatory Reform Committee that all workers on UK flagships and ships working in British waters would be paid the minimum wage. I felt that that was a breakthrough, a concession and a victory that had resulted from our long-standing campaign.

What we did not know then was that British waters would be defined not as territorial waters, as is generally accepted, but as Britain's internal waters. As a result, large numbers of workers—even on ferries, which we would usually consider to be within British waters—are not being paid the minimum wage, as employers continue to discriminate on the basis of nationality. I hope that in later stages of our consideration, we will be able to amend the Bill in order to secure fairness and equity for all workers, who should get the rate for the job, based on the nature of the job itself, not on their country of origin.

In his introduction, the Minister spoke about the enforcement of the minimum wage. Many of us welcomed the statements made some time ago by the then Chancellor of the Exchequer, now the Prime Minister, about the allocation of additional funding of £3 million for the purpose of enforcement, but as we said in the Westminster Hall debate, it does not look as though much of that money has actually filtered through to the appointment of staff. I would welcome the Minister's pledge to reconsider that matter and the powers given to individual officers working for the enforcement team.

Third-party actions also warrant further examination. At present, enforcement takes place when individuals demonstrate that they are being paid less than the minimum wage. In some circumstances that requires an act of courage, especially when exploitative employers seek to intimidate their work forces. Perhaps the Minister will consider tabling an amendment allowing third-party actions. That would enable trade unions and other organisations to represent individuals or groups of workers and bring cases relating to failure to pay the minimum wage, so that the system would no longer need to rely on individuals who can so easily be victimised and intimidated.

The Minister mentioned voluntary workers and cadet force adult volunteers, but I believe that the Bill may allow us to look beyond those groups. We have received representations from the National Union of Journalists and the Performers Alliance, which includes Equity, the Musicians' Union and the Writers' Guild of Great Britain. According to the NUJ, many people, mostly in newspapers but across the media, are required to work voluntarily not just for a few hours a week or a few weeks but, in some cases, for between six and 12 months in order to get on to the ladder even to be considered for a permanent position. As a result, they fall outside any legislation that would protect them from exploitation and ensure that they were paid the minimum wage at some stage in their careers. I hope that the Minister will examine the issue of volunteers in those sectors and propose amendments, because we may not have another opportunity to tackle it for some time.

The Performers Alliance unions also raised the issue of agency fees and their effect on the minimum wage. We know that the Government have helped greatly through their moves to protect workers from an agency which, at one point, was charging high fees and deducting them from wages, with the result that many workers' pay fell below the level of the minimum wage. However, there is still a loophole. Some agents have reconstructed themselves as publishers, so that workers can be charged a publication fee simply to be listed in a directory. They

[John McDonnell]

are being exploited by having to pay a fee upfront, which is deducted from their pay so that, again, it falls below the minimum wage. Perhaps that too could be amended in the Bill.

The hon. Member for Broxbourne (Mr. Walker), who is no longer present, mentioned tips. We have been promised movement on that for a long time. A private Member's Bill was drafted in the hope that the Government could incorporate its provisions in future legislation. I think the time has come to give full protection to workers who depend on gratuities, so that those amounts are not deducted from their minimum wage. At present there are a number of ways in which employers can avoid the current legislation, with the result that workers do not receive the full reward for their good service. That too was raised in the Adjournment debate a few weeks ago, and again we hope that the Minister will be able to incorporate provisions from the private Member's Bill in this legislation.

I hope that another issue raised by Members will be incorporated. The Bill provides powers of enforcement in regard to non-payment of the minimum wage, but we believe that the provision for the exchange of information between agencies should include the opportunity to deal with non-payment of holiday money, and with other payments not made by employers. The Bill should contain a right of protection, so that those officers who deal with the enforcement of the minimum wage can also deal with the non-payment of holiday pay and other payments that employees should have received but the employer has avoided paying.

I also hope the Minister will consider the representations we have received from a number of unions—I am thinking in particular of the civil service union, the Public and Commercial Services Union—on workplace environmental representatives. We were hoping that the role that such representatives play in their companies and their work sectors would be recognised in this Bill. Environmental representatives are like health and safety representatives in that they want to participate in the development of the policy of their company—or agency, or Government Department—with regard to improving the environmental standards of their workplace. At present, they undertake that role while some employers, including Government Departments, recognise them and some do not. They play a vital role in identifying areas where the environmental standards and performance of their employers can be improved, but they gain no statutory recognition and as a result no facilities in assisting them other than those that have been acquired voluntarily by representations to their employers. I would like the Government to look at the formal recognition of workplace environmental representatives, particularly on the day when we have received an Environmental Audit Committee report on the lack of progress, to put it diplomatically, especially of Government Departments in achieving the Government's own environmental targets.

Finally, let me turn to the part of the Bill that deals with the ASLEF judgment. A range of problems have been identified in the concessions the Government have so far made in the other place. I believe they will impede the implementation of the spirit of the Government proposals, particularly with regard to the detail of what is required of a union in identifying what political party the member they are dealing with belongs to and how that can change over time. Other fairly onerous requirements will undermine the implementation of the European Court of Justice's decision on the matter. We will look at amendments as this Bill proceeds through Committee and on Report, but I think there is agreement in every part of the House that it is most important that we ensure that trade unions have the freedom not to have to accept as members those who hold offensive views and act offensively.

That leads me on to another issue to do with our public services, which I think may be addressed in this part of the proposed legislation. We already have rules and regulations that prevent British National party members from serving in the police and prison services, but we do not have those rules for BNP members who work in other sections and Government Departments, such as the Department for Work and Pensions, where they are meant to be serving a multicultural community. I would like the Government to look at from what other areas of service beyond the police and the Prison Service we should bar the employment of BNP members or bar their continued membership of the BNP, because I believe that holding those views and being a member of that party infects their role in serving a multicultural community. We should do everything we can and employ the full legislative force to prevent BNP members from operating in those sectors and thereby undermining the ethos of fair and equal service to the public.

I hope to work through those issues during the Bill's progress because, by doing so, I believe we have the opportunity to implement employment legislation that addresses some of the key issues that face many of our work force today.

Mention has been made of the Warwick agreement and the discussions taking place at present about Warwick mark 2. On that, I wish to repeat my disappointment that we have not had the opportunity within this Employment Bill to assert in law, as is the case in the rest of Europe, the basic human right of someone to withdraw their labour including by secondary action—sympathetic action—in solidarity with other workers. Until we can secure that right once again, people will continue to be exploited; there will be bad employers who seek to undermine their wages and conditions, and the balance between employer and employee will still be out of kilter. I urge the Government to look again at this Bill to see whether we can include once again in British law this protection and the basic human right to withdraw one's labour.

5.55 pm

Sarah Teather (Brent, East) (LD): We are discussing employment at extremely short notice. I do not wish to labour the point; others have said that the Government are frightened of Catholics in by-elections. *[Interruption.]* Did I hear a sharp intake of breath from the Minister? A by-election's timing over which the Government had total control is a poor reason for delaying for three months the passage of other legislation and for introducing this Bill at very short notice—and nor does that aid scrutiny.

This is the 29th piece of employment legislation that this Government have brought before the House. Nevertheless, it is largely welcome in that it repeals some previous legislation that was highly burdensome and bureaucratic for business. We shall be supporting the Bill's Second Reading, but there are a number of issues on which we would like significant progress to be made in Committee. Some areas will need careful scrutiny, but our principal areas of concern about the Bill are to do with sins of omission.

Let me begin by acknowledging the changes that we support. The Gibbons review of the Employment Act 2002 and its 2004 consequential regulations clearly stated that the aims of that legislation had simply not been achieved. The original purpose of the legislation—to encourage conciliation as an alternative to a tribunal—had not been successful. As the Government's response to the Gibbons review says, the procedures imposed a high administrative burden, and far from encouraging amicable settlements appeared to have encouraged involvement of lawyers at an early stage. However, that failure masks a more important negative philosophical shift.

The 2002 Act divided opinion between those who believe that procedure matters in and of itself because it validates an individual's worth, and those who believe that procedure is merely a means to an end. A liberal would say that procedure matters, because treating people fairly matters in and of itself independent of whether the outcome would have been the same. It is very much to be commended that the Government have reviewed the 2002 legislation and are now repealing it, even if their change of mind has been brought about only by unintended side effects rather than a true conversion of principle.

I welcome the reversion to the Polkey principle, which recognised that fairness does matter—dismissal under such principles may be found to be unfair on procedural grounds. However, the principle also recognises the merits or otherwise of the case, and allows a tribunal to reduce the compensatory part of the award in proportion to the likelihood that dismissal would have gone ahead anyway if correct procedure had been followed. The acceptance by the CBI and others of a reversion to Polkey principles has, however, been dependent on a promise of simplification of the ACAS code of practice. Employers want a code of practice that they can actually follow. The new draft code, which was published during the consideration of the Bill in the other place, will need to be carefully scrutinised in Committee to ensure that it is a genuine simplification and that it is clear. I suspect that a considerable proportion of our time in Committee will be spent in examining that draft code.

Several Members have spoken about the ASLEF judgment. We acknowledge the changes made following the debate in the other place to specify more clearly the grounds on which a union may prohibit someone from membership on the basis of their affiliation to a political party. While recognising that the abolition of closed shops should give unions greater freedom to decide their own membership, we nevertheless thought that the original wording in the Bill was drawn far too broadly. The new definition adopted in the other place meets many of our original concerns. However, we will also want to re-examine that and explore it further in Committee. The hon. Member for Huntingdon (Mr. Djanogly) raised one particular issue relating to previous as well as current membership of a political party.

Thirdly, we welcome the effort to toughen action against those who fail to pay the minimum wage. The new powers proposed for inspecting officers seem sensible, and the possibility of trying serious cases in the Crown court is also welcome, as it increases the fine possible in serious cases. I, like the hon. Member for Hayes and Harlington (John McDonnell), am disappointed that the Government have not taken the opportunity of this legislation to end the national minimum wage's discrimination against young people through the lower rate. People under the age of 21 do not get a discount in shops for being young, and it is hard to justify why young people should be paid less for doing the same job.

I am also disappointed that the Government have not used this legislation to deal with the issue of people using tips as an excuse for not paying the national minimum wage. As a consumer, I want to know that any tips I pay are extra money that will go to people who are probably working extremely long hours for the minimum wage. The Minister reassured us that the Government are examining the issue, but I hope that they will do so in time to table amendments in Committee. The Government have the whole summer in which to consider the matter, because according to the programme motion the Committee will not sit until October. I hope that they will work with people in all parties who clearly feel strongly about the issue to introduce a practical means of solving that problem.

The new formulae for calculating the arrears of employers who fail to meet minimum wage legislation are a welcome step forward. Using the current rather than historical rate of the minimum wage is not only a fairer way of calculating arrears for employees, but gives employers an incentive to settle arrears today rather than to delay until next year. I heard what the Minister said in reply to my intervention about interest rates and tax, but I hope that we may still explore the matter in more detail in Committee to see whether there is a means of getting round the problem. It is unfair that employers are able to have an interest-free loan at the expense of an employee.

New formulae are all well and good, but the chance of a business being inspected for a breach of national minimum wage legislation remains extremely low. Moreover, even if an employer is inspected and found to be in breach of the law, the chance of their being prosecuted is almost non-existent. Just three of a total of 14,500 or 15,000 cases of arrears have ever been prosecuted—the Minister gave the exact figure in his speech. Why is that figure so low? I would like to think that an amicable result was found in all cases, but that seems highly unlikely.

The problem of a failure to pay the minimum wage appears to be increasing. The Minister mentioned that the average arrears for each individual is now more than £200, which compares with the previous financial year's considerably lower figure of £130. Enforcement is vital not only for individuals who are inadequately rewarded for their work but, as the Minister mentioned, for employers.

Lorely Burt: Does my hon. Friend agree that certainty of detection and of subsequent prosecution would be two of the most important factors in getting recalcitrant employers to commit to, and to implement, the national minimum wage?

Sarah Teather: I agree with my hon. Friend. Employers who pay the minimum wage, however reluctantly, feel very aggrieved when a competitor down the road undercuts them on price because they are cheating the law. Employers

[Sarah Teather]

who flout minimum wage legislation often deny other statutory rights, such as the right to paid holiday, statutory sick pay and paid maternity leave—the citizens advice bureaux have found evidence of that in the cases that they have dealt with. Concern about those rights, particularly for temporary and agency workers, lead to pressure on the Government, particularly from some Labour Back Benchers, to equalise rights with those of permanent employees. The trade unions, the Government and the CBI appear to have found a compromise on this matter, and we await legislation in this area in the next parliamentary Session so that we can scrutinise just how the Government intend to deal with it.

I remain concerned that merely creating new rights will not necessarily yield an improvement for workers unless there is a practical way of enforcing them. I recognise that the Bill strengthens powers to inspect employment agencies, but, in practice, most vulnerable workers who wish to take action against exploitation must battle through the tribunal system, which, for many of them, is not a practical solution in enforcing statutory rights. The system is lengthy, stressful and legalistic, and even when it finds in favour of the employee it may fail to yield a payment to the individual.

There is an obvious need for an agency that is able to work across fields to tackle issues of non-compliance in a proactive way. The hon. Member for Hayes and Harlington touched on the issue of information that is permitted to be exchanged in the Bill and whether there is a more proactive means of tackling non-compliance. A number of suggestions have been made, including a broad-based fair employment commission, extending the work already done on the national minimum wage. I wonder whether the Minister's winding-up speech will inform the House as to whether the Government are actively considering that possibility—I know that they have considered it in the past.

The problem that many workers have with the employment tribunal system is that even if they manage to navigate it and get a ruling in their favour, which is no mean feat, many employers just fail to pay up. Citizens Advice, which works with employees exploited by rogue employers, estimates that it sees about 1,000 cases of unpaid employment awards every year. I have seen such cases in my constituency, and they are incredibly stressful for the individuals concerned. Citizens Advice estimates that across the country the level of non-payment of tribunal awards may actually be as high as one in 10 of the 13,000 monetary awards made by tribunals each year. The only route for claimants in that situation is to take action through the civil courts, but, yet again, that process is complex, time-consuming and often prohibitively expensive.

For some rogue employers, the knowledge that the enforcement route is so difficult makes non-compliance a gamble worth taking, allowing them to flout the system with near impunity. The cost of the non-payment of awards to individuals is considerable. Citizens Advice estimates that of the 1,000 cases it dealt with in the past financial year, the total value of unpaid awards was in the region of £4.5 million—the sums involved for the individuals concerned are thus considerable.

In recognition of that problem, the Government made some changes to the system in the Tribunals, Courts and Enforcement Act 2007. Principally, the Act made the registration of non-payment of an award at county court automatic and free, and it also allowed enforcement action to be taken without registration. Those provisions will come into force in April 2009, when this Bill is also due to come into force. Although those changes were welcome, it is not the process of registration of non-payment at the county court that is so difficult for claimants; the problem is the process that follows, which is prohibitively expensive and complex.

That brings me to my gravest concern about the omissions in the Bill. How clear people's statutory rights are and how efficient the tribunal system is are of no matter if, when the tribunal rules in favour of the claimant, they are simply unable to go the next leg of the journey to wrench the money that they are owed from their employer. The Bill is a serious missed opportunity, and the Government must find a way of giving claimants access to the fruits of the justice that they have already attained.

Mr. Siôn Simon (Birmingham, Erdington) (Lab): I might have missed it, so could the hon. Lady say a bit about what her Front-Bench team recommend the Government should be doing? She has identified what she sees as an omission, but I would be grateful if she let us know how she would like to see the gap filled.

Sarah Teather: I just mentioned one thing—an employment commission—and I am about to move on to the next one, if the hon. Gentleman sits tight and listens. I hope that he will serve on the Public Bill Committee, that we will be able to explore these matters in great detail together and that I might get his support from the Back Benches.

We intend to examine non-payment in detail in Committee, and I hope the Government will look favourably on the ideas proposed by a number of people, principally Citizens Advice, which has done detailed work on the issue and tackled it on the front line. The issue is really about using the state to take the risk that at the moment is borne by individuals. At the moment, individuals have to pay to go through the county court process. They will get the money back, if they win, but I want the Government to consider whether the state could take on the risk for very low-paid individuals. The state would get the money back, but the burden of risk would be shifted from the individual to the state. NACAB has suggested using High Court enforcement officers.

There are many approaches to the issue, and I hope that we will be able to have a detailed discussion in Committee about the various methods. I feel strongly that the good aspects of the Bill will not come to fruition without some means of taking the next step. It is an important issue for individuals, and I hope that the Government will consider closing the loophole.

There are some good aspects to the Bill, but some issues are missing. The principal issue is how we can give individuals the opportunity to claim the money that they have already technically been awarded but cannot get their hands on, and I hope that the Government will consider our amendments in Committee.

6.11 pm

Mr. Oliver Heald (North-East Hertfordshire) (Con): I first wish to make a general point that is relatively important in the context of clause 4. When I first started appearing before industrial tribunals in 1976 I did so for free, as a trainee lawyer with the Free Representation Unit. In those days, tribunals were very informal, the rules of procedure were limited and the chairman would often be able to decide what sort of evidence he wanted to hear and how. The person representing the employee was often a trade union representative or someone free—like me—and the employer would simply send along the personnel director. In that atmosphere, the people there—including the members of the tribunal—understood the workplace and the industrial scene. The three who made up the panel—the employer's representative, the employee's representative and the lawyer who acted as chairman—were an integral part of that atmosphere, which was that of an industrial jury that decided industrial concerns on behalf of people who all understood the workplace.

The atmosphere has changed a lot over the years and industrial tribunals—now employment tribunals—have become much more formal places with more legalism. It was inevitable that that would happen. That area of law was very exciting in the 1970s, because it was constantly changing as new Governments came and went. The *Industrial Relations Law Reports* came out every week, so more law was reported in that area than in almost any other. Gradually, the effect of all the new cases and the need for precision ensured the change to a more legalistic environment.

However, the tripartite decision making has remained throughout, with an employer's representative, an employee's representative and a chairman. That is very important for cases that address issues such as the terms and conditions of employment or questions of unfair dismissal. Once the employer has shown the reason for dismissal, it is up to the industrial jury to decide whether the decision to dismiss was reasonable. The issue of reasonableness in that forum is well decided by a tribunal made up of representatives who understand the workplace. Anything that erodes that approach would be a bad thing.

So when clause 4 of the Bill talks of fast-track decision making without a hearing, alarm bells begin to ring. Will that mean that the chairman decides cases on his own? Last year, we had a consultation document, "Transforming tribunals", from the Ministry of Justice, and chapter 9 included suggestions that employment tribunals had scope for more decision making by chairmen alone, as it would not always be necessary to involve the lay members.

The issue was taken up in the other place by Lord Wedderburn, who pressed the Minister on it. I wish to do the same and press the Minister to confirm that the Government have no intention of cutting back on tripartite decision making by the tribunal on important issues such as reasonableness of dismissal and terms and conditions of employment. The lay members add something to the decision making on those issues and I hope that the Minister will be able to reassure me on that point.

Clauses 1 to 3 abolish the 2004 regulations, encourage more voluntary conciliation and support ACAS with extra funding. I shall give some of the history behind the boom in cases that led to the Employment Act 2002. In the early days of the industrial tribunal, it had a much more limited jurisdiction with far fewer cases. Even in 1988, there were only about 29,000 cases a year. By 2000, that had grown to 130,000 cases a year, and something needed to be done to encourage employers and employees to try to solve their problems without necessarily ending up at an employment tribunal.

One of the great motors for an increase in the number of cases was the Polkey *v.* A. E. Dayton Services Ltd decision in 1987, because it said that if there was any significant procedural irregularity in the way in which a case was dealt with by the employer, there was an entitlement to a finding of unfair dismissal. If it was only a technical matter, however, the tribunal could decide that, despite the procedural irregularity and the consequent unfair dismissal, the compensation could be set at nothing or very low.

The decision meant that cases that would previously have been rejected on their merits were pursued on procedural grounds. The Conservative Government looked at the issue in the mid-1990s and published a Green Paper in 1994 that considered the options for dealing with disputes. It had two main suggestions. First, it suggested that ACAS should have a conciliation scheme and a system of voluntary referrals to arbitration. Secondly, if employees had not followed the internal grievance procedure, or employers had not followed their internal procedures, they should not have the right to go to a tribunal. In other words, it was vital to both employees' and employers' defences to have pursued internal remedies first.

In response it was argued that that approach would cause complexity and delay in many cases. After much thought, the then Minister, Ian Lang, decided not to require the internal procedures to be completed. When the Labour Government came in, they looked at the consultation document and the responses and made the same decision. I cannot remember who the Minister was, but in 1997 the incoming Government decided against that change.

It was therefore a surprise—not to mention a mistake—when the Government, in introducing the 2002 Act, decided to go ahead and insist that internal procedures should be completed to provide grounds for a claim or a defence to a claim. Many warned at the time that that would lead to complexity and delay. Instead of all the evidence being heard in one go by a tribunal, a two-part procedure was necessary. The first part of the process was deciding whether a case was procedurally acceptable because the internal procedures had been completed by the employer or employee. Then another hearing was needed to decide whether the dismissal was unfair or not.

The effect of that was predictable, and so it came to pass. From quite early on—within a year of the change's implementation—organisations such as the CBI and some unions were saying that it was a good idea in policy terms, but that the way in which it had been implemented was heavy handed, bureaucratic, prescriptive, over-regulatory and did not work. The number of cases that were delayed went up and became a big problem.

I remember that when I was the Front-Bench spokesman for legal issues, the chairmen of tribunals would come to me and say, "Look, you have to do something about these 2004 regulations because they are snarling up the whole system. Although they were a good idea in principle,

[Mr. Oliver Heald]

in practice they are turning out to be a nightmare." I asked a number of parliamentary questions on the issue—in fact, last summer, after the Gibbons report came out, I reached a crescendo with about 20 questions, all asking whether the Government would do something about the situation.

Now that I have given that background, I want to tell the House that I welcome clauses 1 to 3, which get rid of the idea that there must be a first hearing about the procedural aspects before one can get down to the real thing—in other words, that it has to be proved that the procedures have been followed internally before a claim can be mounted. As far as the other side of the coin is concerned, though, the idea of having conciliation and some ability to talk and to try to reach a decision on the claim between employer and employee before the matter gets out of the workplace is a good idea.

I welcome the fact that ACAS is getting extra funds, but does the Minister think that there is room for mediators and others to be involved rather than just ACAS. What is the Government's position on alternative dispute resolution in that area? Is it that it should just be a matter for ACAS and that the £37 million will do it, or are the Government saying that they would be prepared to have independent mediators and others involved to try to tackle some of the cases at an earlier stage?

My overall position is that I give a warm welcome to the first few clauses of the Bill, which are long overdue. I have no doubt that the mistake was made with the best of intentions but I am pleased that it is being remedied, and I know that everybody in the employment tribunals will heave a sigh of relief.

6.22 pm

Ms Katy Clark (North Ayrshire and Arran) (Lab): I agree with the points made by the hon. Member for North-East Hertfordshire (Mr. Heald) about the role of lay members in tribunal proceedings. One of the strengths of the employment tribunals has been that those who have active experience of industry—on the worker and trade union side and also on the employer side—have had a strong role in the proceedings and the move towards a very legalistic approach would not be welcomed. There is concern from all parties that the role of lay members may be watered down, which would be a huge mistake.

I urge the Minister not to listen to the advice given by the Conservative Front-Bench spokesman, the hon. Member for Huntingdon (Mr. Djanogly). We remember that the Conservatives did not vote for the national minimum wage and argued that its introduction would lead to higher unemployment. That has not proved to be the case.

John McDonnell: Before my hon. Friend moves off the issue of lay members, can we all place on the record the work that Lord Bill Wedderburn has done over the years to protect the role of lay members and the astute advice on tribunals, both legal and political, that he has given to the Government?

Ms Clark: I am grateful to my hon. Friend for that intervention.

As I was saying, the National Minimum Wage Act 1998 was, of course, a controversial and contested piece of legislation. It is one of the flagship policies introduced by Labour since 1997. I welcome the provisions that will strengthen the enforcement of the regulations.

The truth, however, is that other than the drip, drip of employment legislation that we have heard about, Britain has the most restrictive labour and employment laws in Europe. Trade unions in Britain have the fewest rights of those in any country in Europe. As has been said, our right to be members of trade unions and to take part in trade union activity dates from less than 100 years ago, when the Labour party was created. One of the first steps that the initial 29 Labour MPs took was to drive through a private Member's Bill to overturn the House of Lords decision on Taff Vale. We have already heard references to Lord Wedderburn and other leading employment experts, who have regularly articulated that our rights in labour law now are worse than they were 100 years ago. We should not be proud of that.

Of course, new laws are not the only way of dealing with exploitation in the workplace. If we look at history and at the situation now, we see that one of the most effective ways of fighting a cause in the workplace is to join a trade union. We know that trade union members earn significantly more than non-trade union members. They have better pay, better pensions and better health and safety in the workplace.

It is appropriate that those of us in this place should make it very clear that, as a public policy matter, we believe that trade unions are a force for good in society. One reason for that is that we have to recognise the huge imbalance of power in society. In particular, we must recognise the huge imbalance of power in the workplace between the employer and employee. I welcome the work that has led more than 100 MPs to sign early-day motion 1604, which calls for the Bill to be amended to include aspects of the Trade Union Rights and Freedoms Bill. We have heard already from my hon. Friend the Member for Hayes and Harlington (John McDonnell) about that Bill.

I welcome the clause that lifts restrictions on trade unions and the amendment of the rules on the exclusion or expulsion of individuals on the grounds of membership of a political party. The clause is in the Bill because of active attempts by fascists in Britain to infiltrate trade unions, when, of course, fascist ideology runs counter to the beliefs of trade unions. If we consider the activities of fascists who have gained power throughout the world, we see that trade unionists are one of the first groups that they target, victimise, exploit, jail and kill. Trade unions are saying that they do not feel that it is reasonable that they should be forced to take people who are members of fascist parties into their membership, because they know that the only reason those organisations target them is to undermine their core values and beliefs.

We need to look more broadly at trade unions and their rule books. Britain has the most restrictive labour laws in Europe, which means that we have the most rules that govern how trade unions behave. The Conservatives, who were in power for 18 years, introduced most the legislation that led to the regulation of trade unions. It is interesting to hear Conservative Members talk about burdens on business, because they put excessive burdens on trade unions. Trade unionists tell us that the rules under which they are required to operate are not just excessively bureaucratic and expensive, but make it practically impossible for them to carry out their activities lawfully—the activities their members ask them to carry out. The Trade Union Rights and Freedoms Bill proposed simplification of the law on trade unions, because it is not appropriate that the state should lay down in such detail the requirements to be followed every time a trade union takes a ballot on industrial action.

Current provisions make it impossible, in effect, for legal industrial action to take place. However, most cases are not examined in detail; evidence is not examined in detail by a body such as a court or tribunal. Those who have had to take part in such processes would not dispute the fact that existing legislation is excessively prohibitive.

Rob Marris: I make this intervention as someone whose constituency Labour party receives moneys from the trade union solicitors, Thompsons, for whom I used to work and with whom I am proud to be still associated. Instead of a panoply of laws on how trade unions are—if they jump through certain hoops—exempt from creating the tort of inducing breach of contract, for example, by industrial action, would it not be simpler to abolish the tort altogether? We could thus get rid of the panoply of regulation.

Ms Clark: I agree. My central point is that trade unions should be able to regulate their own rule books. Members should be allowed democratically to decide the rules under which they operate. I welcome the Bill's provisions, but I ask the Government to look again at the issues I have raised and consider simplifying the operation of trade unions.

The Minister for Energy will be aware of the negative impact of recent European Court of Justice decisions on trade union freedom and collective bargaining, which will no doubt be debated on other occasions. We need to look at those issues again; the principle should be that the nation state determines rules on the operation of trade unions and the right to strike, which is not a legal right in the UK.

Much of the Bill relates to the national minimum wage, on which a number of proposals have been put to the Government. I suspect they will be the basis of amendments to the measure. The first relates to exemptions for young workers, which have already been raised by my hon. Friend the Member for Hayes and Harlington. The Government have asked the Low Pay Commission to look into the issue again, but we need to say strongly in this place that we view an annual wage of £6,630 for a 37 and a half hour week as a poverty pay rate. We want a rate for the job.

Furthermore, people should not be discriminated against on the basis of age. A person doing the same job as an older person is entitled to the same wage. In my constituency, I have heard of a number of cases of young workers supervising older workers—for example, in the hospitality industry—yet the supervisor is on a lower wage, because at present that is justifiable legally.

Mr. David Anderson (Blaydon) (Lab): I agree entirely with my hon. Friend. A person could start an apprenticeship at 16 and become a fully trained craftsperson by the age of 20, yet they would still be paid less than the minimum wage, which is nonsense.

Ms Clark: I agree with my hon. Friend. There is a strong case that there should be no discrimination on the basis of age alone.

On previous occasions, I have had a number of discussions with Ministers about exemptions for seafarers to national minimum wage legislation. The Minister for Energy will be aware that the current legal position is that foreign national seafarers are entitled to the national minimum wage on UK registered ships when they are in port or in internal waters. The result is that foreign workers on British ferries are being paid wages equivalent to £1, £1.50 and £2 an hour. Examples have been provided to the Government on a number of occasions. All workers on a UK registered vessel in UK internal waters—for example, a Caledonian MacBrayne ship sailing to the Western Isles—would be entitled to the minimum wage, but that would not be the case if they were on a non-UK registered vessel making the same trip.

Rob Marris: I have every sympathy with my hon. Friend's proposition, but it is incredibly difficult to legislate for such things. For example, a similar situation might involve a trucking company based in Poland, but owned by a UK company, which could be sending HGVs to the UK driven by Polish nationals resident in Poland who were earning less than the UK minimum wage. These things are difficult.

Ms Clark: I do not accept what my hon. Friend says. Such situations are clearly difficult to regulate, but the role of Government is to grapple with them and come up with solutions. We are talking about ferry routes that serve communities, whether the Scottish islands, Hull or Rotterdam. They are not operated by fly-by-night employers or industries; they provide services daily.

John McDonnell: Another irony is that even though such ships are not UK flagged, a number of them still receive the benefits of tonnage tax, which is provided specifically to promote the employment of UK seafarers and fair employment generally.

Ms Clark: Indeed. My hon. Friend highlights the fact that state subsidies are, in effect, underwriting exploitation. From the point of view of British resident workers, it is not acceptable that such mechanisms are being used to undercut their wages and conditions.

Mr. MacNeil: As a resident of the Western Isles, where the Caledonian MacBrayne ferries operate, I can tell the House that many other aspects of legislation, such as the licensing laws and health and safety provisions, are implemented on the ferries, so why should that not also be true of employment legislation? I fully support what the hon. Lady is saying.

Ms Clark: I appreciate the point made by the hon. Gentleman. As we have discussed on previous occasions, it is not just ferry workers who are affected by the exemptions, but those working in the fishing industry and those who supply the offshore oil industry. I ask the Government to look at the issue again. It was a commitment in our 1997 manifesto, so as a matter of principle we should look at the exemptions to the national minimum wage and do everything we can to close them. The reality is that the national minimum wage has been one

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of the most effective measures in fighting poverty and inequality in this country, and the Bill provides a real opportunity to close the loopholes that remain.

Mr. Clifton-Brown: The hon. Lady will know from the constituency that she represents that the UK used to have one of the largest merchant fleets in the world. With the best of intentions, British Governments introduced employment and tax regulations that encouraged—indeed, forced, in many cases—British shipping firms to go offshore and to use flags of convenience. Does she not think that some of the proposals that she is outlining will have exactly the same effect on the very small British fleet that is left?

Ms Clark: The hon. Gentleman will be aware that that is why the tonnage tax was introduced. I am sure that the Minister will comment on the fact that British shipping has been a great success story for the Government. Such issues are often raised as red herrings, and that is why I focused on the examples that I used in raising the issue with the Government. I have specifically focused on ferries, because those that run between Scotland and some of the islands are good examples. If a ferry leaves Ardrossan and goes to Arran, all the workers will be covered by the national minimum wage, but if that ferry leaves Ardrossan and goes to Belfast, they will not be covered. We should address that anomaly, and I hope that the Government will look again at that issue. They are holding detailed discussions with the trade unions that represent some of the work force in those sectors, and I hope that the Government propose a practical solution during the consideration of the Bill.

Rob Marris: I sense that my hon. Friend might be moving on. Does she see anything in the Bill that relates to the minimum wage that addresses the scandal of tips—I do not—and the fact that some employers can effectively steal tips from their staff? To me and many other trade unionists, that seems completely unacceptable and certainly against the moral spirit of the legislation on the national minimum wage, if not against the letter of the law. Does she, like me, want much stronger legislation to deal with that scandal?

Ms Clark: Yes, indeed. My hon. Friend highlights yet another loophole, and I do not believe that that was the intention of those who campaigned so hard for national minimum wage legislation over so many generations. Of course, hospitality industry staff are some of the most exploited and least organised, because traditionally trade unions have not been powerful in the sector. We should look again at that issue, because it highlights the need for one of the British trade union movement's other calls in asking the Government to consider class actions in relation not just to equal pay cases, which we will discuss in the equality Bill, but to employment matters such as the national minimum wage. The reality is that the most vulnerable workers in our society find it very difficult to stand up for themselves, and they fear victimisation. There is therefore a strong case for looking at how organisations such as trade unions can take collective class actions when the law is breached. My hon. Friend gives a good example in relation to those who work in the hospitality industry.

Mr. MacNeil: I should like to emphasise that one of the reasons why many people give tips is that they are aware of exactly the point the hon. Lady makes and they try to help, so it is all the more galling when they realise that their tips are used to make up the wages.

Ms Clark: Indeed. People have become increasingly aware of the fact that, unless they leave cash, the money might not get to the right person. However, most of us would presume that any tip we leave would automatically go to the person whom we intended. As a matter of contract, our intention is that the person should get the money, so that is where it should end up, and it should not be used to subsidise employers who do not want to pay the full minimum wage. There is a very strong case for looking again at that matter, as such things were not originally intended.

I broadly welcome the Bill, particularly the steps to enforce the national minimum wage legislation, which has been a huge achievement of the Government, but I ask them to look again at some of the matters that colleagues and I have raised.

Rob Marris: My hon. Friend will have considerable experience of this matter as a former trade union solicitor. Would she care to say anything about the Bill's initial clauses on the statutory dispute resolution procedure, which was contained in the Employment Act 2002? I served on the Standing Committee that considered that Bill, and several Members, including me, pointed out to the then Minister that that procedure would be unworkable. Sadly, that has proved to be so. I wonder whether my hon. Friend will share with the House her experiences in that regard.

Ms Clark: I hope that I made it clear in my initial comments that the more simple a law is, the more likely it is that it will be effective. One of the best examples, which is often cited, is the Health and Safety at Work, etc. Act 1974, which is a very short piece of legislation that lays down a principle. One of the problems that has developed since the 1970s is that employment law has become increasingly complex, whereas we need basic principles. Unfortunately, the legal profession—I say this as someone who used to be involved in that capacity—has attempted to look for loopholes and complex arguments to opt out of basic principles. We should fight for the basic principle that the Government have laid down of a national minimum wage that should apply to all work forces and to all people, irrespective of gender, race, age or other matters, and I therefore commend the Bill to the House.

6.47 pm

Mr. Richard Shepherd (Aldridge-Brownhills) (Con): The hon. Member for North Ayrshire and Arran (Ms Clark) made mention of 1997 and the body of law that the Government introduced to affect employment relations and so on subsequently. Indeed, I am grateful, too, to the Government, because one of their manifesto commitments during the 1997 election was to afford protection to the whistleblower.

The concept of the whistleblower owes much, of course, to Members of the previous Conservative-dominated Parliament, but I am mindful that my parliamentary neighbour, the hon. Member for Cannock

Chase (Dr. Wright), came up with an idea that he gave to those who are involved in Public Concern at Work, and he asked them to make proposals for legislation. Those proposals were taken up by the then Opposition, and the right hon. Member for Islwyn (Mr. Touhig) introduced a private Member's Bill, which had the support of a remarkable man who was a shadow employment Minister, the right hon. Member for Makerfield (Mr. McCartney), who helped to push very hard for the proposal. It also had all-party support, including a lot of support from Conservative Back Benchers. I learned then and subsequently that the power of the Administration, often unbeknown to Ministers, is quite something. I commend the Government's support in their manifesto for the concept of whistleblowing.

I came what seemed like 140th in the private Member's Bill ballot, but the Government very generously provided all the access and support needed to try to progress the matter. Indeed, the Bill passed through this House, and I owe something to my right hon. Friend the Member for Wokingham (Mr. Redwood), the then shadow Secretary of State for Trade and Industry, for not objecting to it. I also owe a lot of gratitude to a past leader of my party, who is now showing great instincts on social justice, for supporting the Bill from the beginning. The Bill was taken through the House of Lords by another distinguished man, Lord Borrie, who worked hard with Public Concern at Work and all the people there who had made effort, raised money and tried to advance the cause.

The Public Interest Disclosure Act 1998 was intended to promote responsible whistleblowing. Although it arose from a private Member's Bill, it received strong support from the Government, especially from the then Minister, the right hon. Member for Makerfield. It was backed by business, unions and regulators.

Although PIDA forms part of employment legislation, the policy behind it closely follows the jurisprudence developed by the courts over the past two centuries on public interest disclosure. Accordingly, the Act provides strong protection to workers who raise concerns about wrongdoing that threatens the public interest. It provides that protection most readily when the concern is raised with the employer in good faith. It also protects disclosures made to prescribed regulatory bodies, whether or not they have been raised internally, when the concern has a substantial basis. It also protects wider disclosures, including to the police, Members of Parliament and the media, when the disclosure is reasonable and justified. Accordingly, the legislation was designed to encourage employees to raise, and employers to address, serious concerns about crime, fraud, danger, abuse and other harm to the public interest.

At the time when the Act was passed, we the promoters—and, I think, most people—understood that information about claims made under the Act would be on the public record. That was important because it would help to promote openness, to discourage specious claims and to encourage an employer to deal properly with any serious concern that was raised with it. Such openness was also necessary to monitor how PIDA was operating.

After PIDA's commencement, the employment tribunals service and the Department of Trade and Industry denied the charity Public Concern at Work all information about claims brought under the Act. With reluctance, the matter was put before the High Court, which found in favour of the charity in April 2000. Mr. Justice Jackson concluded:

> "It is sometimes embarrassing for a party to employment tribunal proceedings to have certain details of his claim made public. On the other hand, claimants in the court suffer similar embarrassment. That is part of the price which all citizens pay in order to have the benefit of an open system of justice…It has always been the policy of the law that, so far as possible, litigation should be conducted under the public gaze and under the critical scrutiny of all who wish to report legal proceedings…The principle of open justice applies to employment tribunals with just as much force as it applies to court proceedings".

While the then DTI claimed that it would appeal the decision, it introduced, without consultation or announcement, temporary regulations to reverse the High Court ruling. It did so on the day before a summer recess, so I advise all Members in the Chamber to be very interested about what is listed on the Order Paper in the two days before the recess. Statutory instruments that come into effect within 45 or 60 days that are put down at that time may receive no parliamentary scrutiny. Although, at the time, we appealed to try to block those regulations, and the Government promised that they would be debated, they came into effect before we could debate them.

Although the DTI substantially agreed to consult on whether claims under PIDA should be treated differently from those under other employment laws, the promised consultation did not take place. As part of the dispute resolution regime that is being dismantled in the Bill, regulations were extended to remove all information from the public record about employment tribunals claims.

The charity Public Concern at Work forwarded a complaint through me to the parliamentary ombudsman, which finally reported in 2005. The report is perhaps the most damning that I have ever read about the conduct of officials in a Department of State. It is truly shaming. It was not published in the usual way, whereby every Member gets a copy, but put on Public Concern at Work's website.

The ombudsman criticised the DTI's handling of the matter because it was never honest with the High Court or the public about why it objected to information about tribunal claims being publicly available; because it launched a costly appeal that it had no intention of pursuing so that it could overturn the High Court decision in secret through regulations; because it repeatedly misled Public Concern at Work to try to head off all public criticism; because it failed to consider the public interest or to realise that whistleblowing claims

> "might involve matters of very great public interest";

because it issued a one-sided and unfair consultation in breach of Government rules, ignoring "powerful arguments" for openness; and because it blocked parliamentary scrutiny by giving assurances that it failed to keep. I cannot think of anything more damning that has been said in an ombudsman's report about the conduct of a Department. As a result of it, the DTI agreed to apologise and to pay £130,000 compensation to Public Concern at Work for misleading it and wasting its time.

One must ask what the damage to the public interest is. Employment tribunals statistics record that, in 2005-06, some 1,015 claims under PIDA were disposed of. Some 283 of those were disposed of after a hearing, and so,

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under the rules, information about those cases is on record. However, the rules mean that all information about the other 730 claims—72 per cent. of all whistleblowing claims—remains shrouded in secrecy.

Other than the numerical statistics, which can be obtained only by making a specific request under freedom of information legislation, there is nothing on public record about more than 70 per cent. of whistleblowing claims. There is no information about the nature of the concern, be it a crime, danger, abuse or other wrongdoing. There is no information about who was at risk, be they consumers, passengers, patients, taxpayers, shareholders or fellow workers. There is no information about whom the concern was raised with, be that a manager, a compliance officer, the chief executive officer, the audit committee, a regulator or someone else. There is no information about the employer's response to the concern, whether it was ignored, investigated or hushed up, and whether it was claimed that it was misconceived, well founded or put right. There is also no information about the alleged reprisal, whether it was carried out by managers or colleagues, and whether it was dismissal or victimisation.

That is the case even though the claims are brought in a public forum, at public expense, and under the Public Interest Disclosure Act. Other than the two parties, no one, not even a Minister, is able lawfully to find out from the employment tribunals records whether, for example, a whistleblowing claim has been brought in relation to problems of clostridium difficile or methicillin-resistant Staphylococcus aureus at a hospital, even though that issue has fuelled public and ministerial anxiety about the NHS and anxiety within it. Additionally, one cannot find out whether a claim relates to a pre-existing problem with the fuel system of the Nimrod aircraft that crashed in Afghanistan with the tragic loss of 14 servicemen.

Such secrecy undermines the public interest and PIDA in two essential ways. It enables and encourages unscrupulous employers to buy off genuine whistleblowers, rather than address the underlying malpractice. The Public Interest Disclosure Act 1998 expressly encourages employees to raise whistleblowing concerns internally, so that responsible employers can deal with them properly and without delay, so it is not an imaginary problem. Contrary to Parliament's intention when it passed the Act, the current rules have created a scheme under which crime, company fraud, public dangers and tax evasion can be readily hushed up, contrary to the public interest.

That secrecy damages responsible business, as it enables and encourages unscrupulous employees to bring spurious claims. A report in the *Financial Times* on 18 September 2007 quoted the City firm, Nomura, which warned:

> "The whistleblowing legislation was designed to protect employees who, in good faith, raise legitimate concerns of wrongdoing in the workplace. Its growing use by white men as a litigation tactic when in dispute with the City employers, suggests the legislation is being abused."

The secrecy that now exists means that it is not possible to assess whether that claim is well founded. That is the substance of the anxiety that caused the right hon. Member for Makerfield—I see that he is present—to start on a course of action to try to bring about structural change in respect of whistleblowers.

I know that the Department has again been in consultation with Public Concern at Work. All I ask is that the Department gives serious consideration to any amendments tabled to do with the publication of whistleblowing cases. Part of the difficulty is that there have been so many changes of junior Ministers in the Department that the collective memory of the Government or Executive, as opposed to the Administration, is somehow lost. Many undertakings have been given, and it has been said that there was no objection in principle. The Minister for Energy should read the ombudsman's report, and people in the Department should re-read it, or read it, if they have not yet had the opportunity to do so. The problems can, and should, be corrected, and the Bill is the vehicle with which to do so.

7.2 pm

Mr. Charles Walker (Broxbourne) (Con): I am grateful to be called to speak on this interesting Bill. Before I came to the House, until 2001—actually, I did not come here until 2005. I would have liked to have come here in 2001, but unfortunately, when I stood against the hon. Member for Ealing, North (Stephen Pound) in 2001, I added 2,500 to his majority, instead of reducing it. He is grateful for that, and we get on very well. Until 2001, I was a director of an employment agency called Blue Arrow. In the late 1990s, I remember having some fairly testing meetings with the right hon. Member for Macclesfield—

Mr. Ian McCartney (Makerfield) (Lab): Makerfield.

Mr. Walker: I apologise. I had some very testing meetings with the right hon. Gentleman, and to be fair some of the practices taking place in the employment agency industry were unacceptable. Quite rightly, he outlawed them, and hopefully they no longer take place. However, I accept that there is a small rump of people operating in employment agencies who let everyone else down. I do not want the employment agency sector to be tarred with the same brush as those whose business behaviour is still outside the bounds of the acceptable.

Employment agencies play an important part in our labour market. The Government recognise that, and very early on after introducing the new deal they included employment agencies among the bodies placing difficult people who had been out of the workplace for a long time. My party recognised that employment agencies play an important role, too, and when we form the next Government we will hopefully pledge to use employment agencies to help people get back into work. Employment agencies are extremely good at helping the economy to flex in response to changes in the market. There can be sudden increases in demand, and employment agencies are very good at identifying a labour pool and filling that demand. Employment agencies are very useful for allowing women who have been out of the workplace for a number of years to re-enter it. They are very useful for placing youngsters in the workplace—yes, in temporary jobs, but jobs that allow them to prove their worth to a future employer.

Ms Katy Clark: The hon. Gentleman will be aware that a great deal of work has been done by Labour Members, and by the trade union movement, to campaign for fair employment rights for agency workers. Does he support that?

Mr. Walker: The hon. Lady makes a very interesting point, and that was a useful intervention. I will come on to the issue in a moment. As I have said, employment agencies provide a useful route back to work for people who are often hard to place in work, and who struggle to find a permanent job because they have been out of the labour market for too long, or do not have the experience to get into the labour market in a substantive, permanent position.

I have an admission to make: if I had been a Member of Parliament when the minimum wage was introduced, I probably would have voted against it. I do not know for certain that I would have done so, because I was not here, but at the time—as the right hon. Member for Makerfield knows, because I sent him some papers on the subject—my instinct would have been to vote against it. However, I would have been wrong to have done so. The minimum wage has proved to be a step in the right direction. It has allowed people dignity at work, and why should the taxpayer subsidise bad employers? That brings me on to my next issue of concern—

Mr. McCartney: Before the hon. Gentleman leaves the subject completely and forgets to answer the question asked by my hon. Friend the Member for North Ayrshire and Arran (Ms Clark), let me put the point another way. If, in the future, a Conservative Government were in a position to sign the European directive on temporary agency workers, would he advocate signing it?

Mr. Walker: The right hon. Gentleman makes an interesting point about the agency workers directive. That directive has been mooted in Europe for about the past 10 years, and for nine of those years his Government have made a very good case on why we should not sign up to it. Their case has been very convincing; they said that we did not need it in this country, and that it would have a negative impact on the labour market and would reduce employability. That must be the case, or it would have been accepted five years ago. If one were cynical—I am not—one might think that the sudden embracing of the working time directive had more to do with the need to access trade union funding for future political campaigns than with the need to improve the lot of the down-trodden worker. Far be it from me to suggest that. I hope that answers the right hon. Gentleman's question.

Ms Katy Clark: The question that the hon. Gentleman is being asked is whether he supports the discrimination that takes place against agency workers, who do not get the same sick pay, holiday pay or other entitlements as other workers doing the same job. Will he respond to that?

Mr. Walker: I probably will not give the hon. Lady the answer that she is looking for, but I fully bought into her Government's reasons for not signing up to the directive. I was convinced by their arguments on why it would be a bad idea for the UK to sign up to it. I have gone along with those arguments for nine years. The Government have changed their mind, and they need to put forward the arguments, to me and to others, on why the change of course is good. I leave it to the Minister, when he winds up, to make the argument in favour of the country signing the working time directive. If his arguments are good enough and convince me, I will certainly join the hon. Lady in the Lobby to vote in support of the working time directive. However, it is incumbent on the Minister to persuade me that I need to be there.

I accept that the minimum wage was a good idea, but I am still concerned about the fact that we tax people who earn the minimum wage. I know that that is outside the ambit of the debate, Madam Deputy Speaker, and I shall not try your patience by speaking on the issue for more than 30 seconds. The minimum wage gives people a salary of about £11,000 a year, but as soon as they earn £5,000 or £5,500, they start paying tax on their earnings, and then have their money laundered back to them in the form of tax credits. That is not right, and it perhaps robs people of their dignity.

I mentioned my concerns about the hospitality industry to the Minister for Employment Relations and Postal Affairs, who opened the debate. It is disgraceful that when I add £5 or £10 to a bill at a restaurant, and pay on a credit card because I do not have any cash on me, that money can be used to make up the wage of the person serving me. That is wrong, and most people in this country—apart from the few who own restaurants—agree. As the Government struggle to become more popular with the wider electorate, it would be good for them to seize on the issue. The practice is wrong, and they would have the support of the vast majority of the British public if they addressed it. I am not sure whether that would make up the 19 per cent. deficit in the polls, but it would be a good start.

Mr. Simon: Does the hon. Gentleman agree that people should not make the mistake of thinking that by leaving a tip in cash they are necessarily ensuring that it will go directly to the worker concerned? Even when tips are left in cash, unscrupulous employers still find ways to divert that income stream to themselves.

Mr. Walker: The hon. Gentleman makes a good point. I am sorry if I misled the House and anybody watching by suggesting that if people leave cash it is more likely to find its way into the pockets of the person who served their table. I would hope that the cash would be put in that person's pocket before the avaricious restaurant owner got his or her hands on it. Any restaurant chain that carries out the practice deserves to be named and shamed. I really wish and hope that we get to grips with the issue extremely soon, whichever political party is involved.

I turn briefly to the issue of tribunal claims. It concerns me greatly when someone who has been disadvantaged in the workplace and is successful in their claim at an employment tribunal then has to wait months—sometimes longer—to receive the money that they are owed. These people have mortgages, families, outgoings and other costs that need to be met. They will often not have a job, because they have been removed from their previous job unfairly. When a tribunal award is made, we need to make sure that the money is forthcoming quickly.

I did not want to be partisan in this debate, but I am going to be. I am a proud member of Amicus-Unite, a trade union. Like the hon. Member for North Ayrshire and Arran (Ms Clark), I believe that the trade unions make a positive impact in our day-to-day lives, and we are a better country for having them. I do not want to go against the will of the House, but I have deep

[Mr. Walker]

concern about British National party members being allowed to join trade unions. From my time in Broxbourne, I know how the BNP operates. I have run a three-year campaign against it that has by and large been successful; we removed the BNP councillor whom I inherited when I was selected for my seat.

The BNP operates outside the normal boundaries of acceptable political and democratic behaviour. Its campaigns are nasty and personal. I know that for a fact, because I have been on the receiving end of a number of them. A number of Members here will have given some time to campaigning in the London assembly elections. The literature that the BNP was putting around in those elections was hateful and despicable. It was really unpleasant stuff. Anyone who dares to criticise the BNP, as I do and other brave Members do in their constituencies, is subject to a torrent of abuse and hate—to national campaigns of abuse and hate.

Letters were sent to my office and my local newspaper, and e-mails were sent from wherever in the country I dared to stand up and speak out against the BNP. A low point came in the local elections. My local newspaper ran a poll about who people were going to vote for. The BNP, of course, organised a telephone campaign and a newspaper called me up and said, "Mr. Walker, 52 per cent. of your constituents are going to vote BNP in the local elections. How do you feel about that?" I said, of course, that it was total nonsense—and guess what? I was proved right.

I fundamentally believe that the BNP has no place in any organisation of which I am a member, be it the Conservative party or a trade union. I received this from a BNP supporter:

> "I note with interest your recent and misguided comments regarding The British National Party…You call yourself a Tory, yet are absurdly a member of a Trade Union. You call yourself British, yet clearly despise our Islands…Did you know that your namesake was the first man to be executed after the State of Illinois reinstated the death penalty? A fitting fact, you'll no doubt agree.
>
> Have a good day Mr Walker".

The writer had also implied that I was being watched. That is the BNP that I have come to know and that operates outside the normal boundaries of political discourse. I accept that, at the moment, many people, for whatever reason, are voting for the BNP—to catch the attention of politicians, to poke us in the eye, to get us to sit up and listen to their concerns. However, voting for the BNP is in a different league from being a member of the BNP, which is a malevolent organisation. Personally, I would not want a member or ex-member of the BNP in my political party, my association or my trade union. There is no place for that party in membership organisations.

7.16 pm

Mr. Russell Brown (Dumfries and Galloway) (Lab): It is always good to follow a brother. I should declare that I am a member of the Transport and General Workers Union section of Unite; perhaps the hon. Member for Broxbourne (Mr. Walker) and I do have one or two things in common somewhere along the line.

I applaud this Employment Bill. It reforms the law on workplace dispute resolution and unfair dismissal and, thankfully, introduces increased penalties and enforcement powers relating to the national minimum wage and agency standards. It also increases compensation awards for workers whose employers make unlawful and unauthorised wage deductions or fail to pay statutory redundancy pay. I am sure that those in the Chamber and beyond are all aware of examples of unscrupulous employers in our communities who are, frankly, exploiting the situation with agency workers and taking each and every advantage to make deductions from people's earnings.

There are EU workers, including Poles and Lithuanians, in my constituency. Some of those people have had a torrid time. They have worked exceedingly hard for more than 40 hours a week. They work every minute that God gives them—sometimes 50, 60 or 70 hours a week. All sorts of deductions are made, whether for travel support or accommodation support. When it comes to pay-day, they get a pitiful wage for the work that they do.

The Bill also revises the rules on the exclusion and expulsion of union members, following the judgement of the European Court of Human Rights in the ASLEF case. The TUC welcomes the proposals to strengthen the law against unfair dismissal and the new penalties for rogue employers who flout the national minimum wage. It also welcomes the creation of the fairer method of dealing with national minimum wage arrears owed to workers, which ensures that they do not lose out as a result of underpayment by employers.

I was one of the Committee members who helped introduce the national minimum wage, under the leadership of my right hon. and good Friend the Member for Makerfield (Mr. McCartney). That was an exciting time. Despite what others say now, it is worth remembering exactly what happened on the occasions when we sat through the night. One Tuesday, our sitting started at 4.30 in the afternoon and finished at 1 o'clock on Wednesday lunchtime. I recollect some interesting times being chaired by our late and good friend, Gwyneth Dunwoody, who kindly helped to guide us through the night. On the following Thursday, we started at 4.30 in the afternoon and finished at 6.30 on Friday morning. Unbeknown to many of us, no Committee on any Bill in this House had ever sat for as long as 4.30 in the afternoon to 1 o'clock the next day. It came as news to us all at 1 o'clock on the Wednesday that we were still apparently working Tuesday hours. I will never know why that was the case.

The Tories were opposed to the Bill. The Liberal Democrats wanted regional variations for the national minimum wage. However, the whole point of the Bill was to ensure fairness right across the country.

Lorely Burt: The hon. Gentleman says that he wishes to see fairness right across the country; I am sure that everyone in this Chamber would aspire to that. However, if we compare a national minimum wage paid to somebody who lives in London with that paid to someone who lives in Liverpool, does he agree that its buying power varies tremendously?

Mr. Brown: Absolutely; I would not disagree in the slightest. However, the hon. Lady's party wanted to introduce regional variations on what we currently have. In other words, in my constituency, people in the neighbouring Scottish borders region would have been paid less, which would have reduced the value and purchasing capacity of that pay.

Mr. McCartney: It might be interesting to the citizens of Liverpool that the Liberal Democrats, who control the council there, are into wage cuts for low-paid workers in Liverpool, as they were into wage cuts in the Bill that introduced the minimum wage. It is very important that there is a national minimum wage, and the way to increase it is to join a trade union and have protected negotiating rights. It is not acceptable that someone in Liverpool or the north or south of Scotland who works for a company operating throughout Britain—say, a hamburger chain—is paid less than someone doing the same job in the south-east of England. That is a ridiculous claim by the Liberal Democrats.

Mr. Brown: I wholeheartedly agree with my right hon. Friend.

John McDonnell: May I place it on the record that if it was inappropriate to have regional variations on the minimum wage, it is equally inappropriate for the Government to introduce regional pay bargaining in the courts service? We will need to consider that again because of the inequities that will be introduced.

Mr. Brown: I say to my hon. Friend, who, like me, comes from a trade union background, that I wholeheartedly support national wage agreements. We need to do our utmost, especially at the current time, to continue to operate on the basis of national pay bargaining.

Lorely Burt: Is the hon. Gentleman suggesting that £5.20 an hour is a living wage for somebody who lives in London? The point that I was trying to make is that people in London should have more, not that anyone from elsewhere in the country should have less.

Mr. Brown: We have moved on from the £5.20 an hour that we had previously, and thankfully we have moved on from the £3.60. There is the London weighting, as has been indicated. The hon. Lady's colleagues fought hard to try to introduce regional variations for the rest of the country when the Bill was going through Committee, and thankfully they were defeated.

Jeremy Corbyn (Islington, North) (Lab): I support what my hon. Friend says. Speaking as a former union organiser in London, we always strongly supported national wage negotiations, and still do. Beyond that, we negotiated a London living supplement. This is not about regional negotiations or pay variations—it is a totally different animal, and that seems to be lost on some Members of this House.

Mr. Brown: If anyone knows what lies behind all that, my hon. Friend does; he is exactly right in what he says.

I would hate to leave out our Scottish National party colleagues. During the two extremely long Committee sittings that we had when pushing through the national minimum wage, allegations were made that SNP Members had gone to bed. I have to tell the hon. Member for Na h-Eileanan an Iar (Mr. MacNeil) that his friend, Alasdair Morgan from Galloway and Upper Nithsdale, disappeared throughout the night on both those occasions.

Mr. MacNeil: As the hon. Gentleman's memory is so great, were all the Labour Members present all night? I have no idea, as it happened long before I was here. I note, however, that when it came to Third Reading, his name was not on the voting record. Would he like to explain that?

Mr. Brown: Yes, Labour Members were there through the night, because that was the important time when progress was made. I may have been absent on Third Reading, but I was there on each and every occasion through the night in Committee. It was a momentous piece of legislation, not only for this nation but for the Labour party.

Madam Deputy Speaker (Sylvia Heal): Order. Could we now get on to the Bill that is currently before us? We have all appreciated the history lesson; let us now concentrate on the Bill.

Mr. Brown: I apologise, Madam Deputy Speaker—I should know better.

There are still clear dividing lines in respect of the national minimum wage. The right hon. Member for Witney (Mr. Cameron) has described the social chapter of European legislation, which includes rights for part-time workers and additional parental leave, as "a historic mistake". In the *Financial Times* of 28 March this year, he said:

> "I think that was a historic mistake Tony Blair made to give up the hard-fought opt-out on the social chapter and I'd like it back…of course it will be difficult to win. But if you have enough resolve…then I believe it is possible."

While this Government are increasing fairness and prosperity at work, the Tories would scrap the help for working people that Labour has introduced. The shadow Chancellor has heaped praise on the report on economic competitiveness by the right hon. Member for Wokingham (Mr. Redwood), which says that regulation to stop small children working is unnecessary and recommends that Britain tears up the entire framework of employment protection agreed with European partners over the past 10 years. In chapter 6 of "Freeing Britain to Compete", produced by the economic competitiveness policy group chaired by the right hon. Member for Wokingham, he says:

> "You do not need a regulation to stop chimney sweeps sending small boys up chimneys."

He goes on:

> "If our partners could not be persuaded, we should seek opt outs from the areas of regulation that we think are most damaging…This would include all employment and social regulation."

This is the 21st century, and we need to ensure that we are being fair in the workplace and fair to individuals.

I want to deal with a couple of aspects of the Bill. I apologise that I was not here for the start of the debate—I was on a Delegated Legislation Committee—so I do not know whether, in his opening speech, my hon. Friend the Minister for Employment Relations and Postal Affairs referred to the concerns expressed by Age Concern. It welcomes the review of employment law, but it recommends that the Government should use the legislation to outlaw the process of forced retirement by removing the default retirement age of 65 introduced by the Employment Equality (Age) Regulations 2006. It maintains that the Government got it wrong on employment

[Mr. Russell Brown]

rights for those over 65, leaving them the only group without protection from discrimination when it comes to being dismissed. The default retirement age means that older people cannot choose to work beyond the age of 65 unless their employer allows them to do so. They can be forced to retire, if their employer so chooses, without reference to their capability or conduct, without being given a reason and without being able to challenge the dismissal in an employment tribunal.

Evidence from the United States of America, where mandatory retirement ages are already illegal, suggests that abandoning MRAs in this country could lead to more than 50,000 extra jobs for people over the age of 65. Scrapping mandatory retirement ages would be popular, and Age Concern polling has found that 80 per cent. of people think that there should be no mandatory retirement ages. Businesses are increasingly recognising MRAs as burdensome, fraught with practical difficulties and liable to create confusion for management. The employers of two out of five workers already manage without MRAs. The Employers Forum on Age now takes the view that the future of MRAs is unsustainable. I sincerely hope that Ministers will use the Bill to deal with that issue.

David Taylor (North-West Leicestershire) (Lab/Co-op): My hon. Friend cites organisations in the private sector, but does he acknowledge, and regret the fact, that among the most bellicose and hard-nosed employers that impose a maximum working age are organisations such as the Royal Mail? It routinely disposes of people who are fit, well, active and who know their areas well; they are lost because of the continuing pressure the organisation is under to downsize its work force.

Mr. Brown: I thank my hon. Friend for his intervention, and there is more than one question within it. He outlines the manner in which the Royal Mail deals with some of its work force, especially as they reach retirement age. It is a tragedy that in the 21st century we are forcing people to retire at what is seen as retirement age when, if people are fit and healthy, they want to be out and contributing to business life.

David Taylor: It keeps them fit.

Mr. Brown: Yes, fit and healthy, and if they want to make that contribution, they should be allowed to do so.

My final point was raised by the hon. Member for Broxbourne (Mr. Walker), who referred to the British National party, and it concerns clause 18, "Exclusion or expulsion from trade union for membership of political party". The clause addresses the judgment of the European Court of Human Rights on unions' ability to determine their own rules and membership free from unnecessary interference. It relates to the fundamental right of freedom of association, covered by article 11 of the European convention on human rights. The relevant case concerned ASLEF's attempt to expel a member of the BNP.

The BNP does not exist in my area. I am aware from conversations with other colleagues that it is a despicable organisation, which, in a civilised society, we should not tolerate. I understand the hon. Gentleman's frustrations, as I understand those of many of my colleagues, about some of the myths and nasty literature that it peddles, not only at election times, but continually, thinking that it can make headway in what it regards as the political world.

Mr. Walker: When my newspaper informed the BNP organiser in Broxbourne that I had received an implied death threat from a BNP member, his response was that I was being oversensitive to some loose language. Does that not accurately sum up the BNP at every level of its hierarchy?

Mr. Brown: I can only agree with the hon. Gentleman; it very much does. He probably could not give a finer example of its attitude.

The original clause was too restrictive, but it was amended in the other place and it is now even worse. Unions are too vulnerable to claims made by those expelled on the grounds of their membership of a political party, including the BNP, and the clause does not address the ruling of the European Court of Human Rights. I know that my union, Unite, finds that unacceptable.

I again apologise for not being here for the opening speeches by the Minister and the Opposition spokesperson. I hope that the points that I and colleagues have raised will be listened to by the Minister, and perhaps some of the issues in question will be addressed in Committee.

7.36 pm

Mrs. Nadine Dorries (Mid-Bedfordshire) (Con): As we are all declaring our interests in trade unions, I suppose I should declare my own. As a trainee nurse, I was a member of the National Union of Public Employees—I do not think that it even exists any more—and after I qualified I was a member of the Royal College of Nursing. I remember well that in December 1975, as a trainee nurse, we received a pay rise, due to pressure from the unions, that enabled us to eat. The previous month—I started nursing in the November—the paltry amount that we were paid was just about enough to exist on. Although as trainee nurses we were incredibly grateful—I will not go into a history lesson, Madam Deputy Speaker—I do not think that the public purse lost the money as easily as nurses received it. Unfortunately, we all know what happened afterwards.

In my time, I have appreciated the work of trade unions, but we have reached a point where the unions' demands made in the name of diversity are causing problems with business regulations. It surprises me that in 2008 we are repealing and amending a substantive Act that was introduced and debated in this House in only 2002. Did the Government get it wrong in 2002? Exactly how much are we repealing, and how much is being amended? I wonder whether the Minister can tell us how many regulations fewer there will be as a result of the Bill.

Today, Nicola Brewer spoke out on how employment law directly impacts on the career progress of women in the workplace. We are beginning to see how the pressure from trade unions on diversity and equality legislation is shooting women in the foot, when it is supposed to help them up the career ladder. I do not think that flexible working and the procedures that employers have had to put in place to assist female employees is wrong. Some of the comments we heard from employers were appalling—putting batches of CVs in the bin before they would even interview women who might cause a problem to their business—but I wonder whether the amount of equality legislation we are imposing on businesses is having an adverse effect. Perhaps we could use a lighter touch and persuade employers by using incentives or by using the tax system, with benefit-in-kind tax relief, instead of using heavy-handed, burdensome legislation. As Nicola Brewer said today, it seems to be having the opposite effect, and rather than imposing regulation on business I think that there is another way of achieving a desirable outcome.

As someone who ran a business that was all about helping women in the workplace, I do not want us to take a step back. In fact, the issue is about changing the culture in the boardroom and the culture of the people at the top who put women's CVs in the bin and do not employ them because of their gender. The answer is not to hit businesses over the head with a massive regulatory hammer. That is not going to give us the results that we need.

All regulation is a cost to business. As we know, two thirds of businesses in this country employ fewer than 20 people. Half our GDP comes from small businesses, which feel the cost of regulation more than big corporations do. Having run a small business, I know that owners of small businesses need to maintain their market share, increase their growth, guarantee their employees' security and look for new business. Achieving all those objectives is vital, but when someone has to juggle regulatory reform too, they need additional employees to manage that, which imposes extra cost. If we are going to tinker about with employment regulations again, I would like to see some way of relieving that cost on small businesses and using the Bill to assist them. The Minister will probably talk about that, which is to be welcomed—I know that, in principle, we support it—but there may be another way of doing a bit more for small businesses.

Lord Jones of Birmingham—the famous Digby Jones—said that the Blair Government were one of the most regulatory-minded Governments. Can the Minister reassure us that the Brown Government are not, or are they the same? Will the Bill reduce the burden of regulation on businesses today, or are we going down the same path of imposing more regulation? The British Chambers of Commerce estimates that Government regulation has cost British business more than £65 billion since 1998. Will the Minister tell us what estimate has been made of the cost of employing people? How much of that £65 billion is directly related to employment costs?

Many small businesses operate in niche markets—I certainly did: I always thought, "What's the point of doing something that somebody else is already doing?" It is much more exciting and easier to create jobs if someone can excite by innovating, rather than copying what somebody else is doing. People need the freedom to innovate and the freedom of thought to have ideas and create business, and for that they need to be free from regulation and red tape. It is incredibly difficult for people when all that they can worry about is the administrative process of running their business, which means that they are not free to innovate. Again, the Bill could have done something to help with innovation by freeing up those who run small businesses, who provide half our GDP. Was the Bill a wasted opportunity?

The Federation of Small Businesses says that many firms are concerned that they are not being taken seriously. They feel that the Government talk to big businesses, but that they no longer talk to small businesses. People who run small businesses have spoken out against the Government, blaming them for not doing enough and for spiralling costs. Again, that is what regulation does—it brings cost with it. The two go hand in hand. In a poll of more than 9,000 businesses, 96 per cent. of owners questioned by the FSB said that they were not satisfied that the Government were taking the right decisions in the interests of small business. Equally, more than 88 per cent. criticised the Government for not doing enough to bring down the rise in business cost.

The FSB wants the Government to step in and ease the burden. FSB national chairman John Wright has said:

> "With the end of a period of relative stability, small business confidence in the government has plummeted in the last couple of years. Employment, tax and fuel policies have left many small firms feeling that their concerns are not being taken seriously enough."

Mr. Brian H. Donohoe (Central Ayrshire) (Lab): I wonder whether the hon. Lady realises that there were 18 years of Tory rule between all the post-war regulation and now. As a trade union official, I can tell her that the worst period for unemployment, because of the lack of regulation, was under the previous Tory Government. Surely that is the period on which we should concentrate in this debate.

Mrs. Dorries: The hon. Gentleman makes an interesting point, as always. However, we know, as we now enter a recession, that these things are cyclical. I started my business in the 1980s, and it was tremendously successful. Indeed, I know lots of people who did the same. We go through bad patches and good patches. We know that, economically, that is how the cycles work. I understand what the hon. Gentleman says, but I do not take the point fully, because I am not sure that trade unions have created employment or prevented unemployment, which is more to do with the economic cycle of the time.

John Wright continued:

> "All we see is government consulting big business, with small businesses being left out of the loop. But small businesses produce over half of UK GDP and it is important that their needs are addressed if we are to get through the current economic difficulties."

We know that those difficulties will get worse. The former Prime Minister, John Major, said yesterday that it feels as though inflation is more like 8 per cent. than the official figure. Nobody I speak to understands how the official figure is what it is, when it costs so much to go to Tesco and so much to fill up the car. We know that things will get more difficult. Small businesses need not more regulation but less, because they are the ones that we will look to, as we always do when the economy enters difficult times.

Mr. David Anderson: What in the Bill would the hon. Lady take away? What part of the regulations does she not agree with?

Mrs. Dorries: I shall probably answer the hon. Gentleman's question when I conclude. My point now is that I would like to know from the Minister whether the Bill provides less regulation or more. I hope that the Minister will answer that question when he winds up.

There are new fears in the City. A new survey has found that business leaders in London fear for the competitiveness of the City. The study, conducted by KPMG in partnership with the CBI, found that six out of 10 senior executives believe London's competitiveness is "under threat". Richard Reid, the London chairman of KPMG, said that

> "after so many promises to reduce damaging red tape, policy-makers have to realise that the burden of unnecessary paperwork is seriously hindering London's success and its ability to just get on and do business in an increasingly competitive world."

That is exactly why I ask my question. Is there more regulation as a result of the Bill or less?

David Taylor: In a former life I was a freelance accountant for many small businesses. I have a very high regard for the FSB, for the support that it gives. However, the FSB, in urging the lowest possible level of regulation—it is quite appropriate for it to do so—is not doing what the hon. Lady seems to be doing, namely making a coded appeal for small businesses to be exempt from national minimum wage legislation.

Mrs. Dorries: I am not making a coded appeal at all. If I was making such an appeal, I assure the hon. Gentleman that I would make it directly. Like my hon. Friend the Member for Broxbourne (Mr. Walker), if I had been here when the House voted on the minimum wage, I would, as someone with an employer's experience, probably have voted against it, because I have always paid more than the national minimum wage anyway. However, I am aware that there were—and still are—unscrupulous employers, and I think that the national minimum wage is a good thing.

Sometimes there is a cartel of employers who pay only the minimum wage. Sometimes it is difficult for skilled employees who deserve more than the minimum wage to find employment where they live, because a wage ceiling in their area makes it difficult for them to get a salary increase. They cannot move anywhere, because all the employers fix their pay at the minimum wage. The minimum wage has had a detrimental effect on some skilled workers. Indeed, I have some experience of that among my constituents working in the borough of Bedford. They cannot move, because the employers all pay the national minimum wage.

David Taylor: The hon. Lady has decoded her earlier remarks and we are very pleased about that. Is she suggesting a two-tier minimum wage, with the lower tier for unskilled or semi-skilled workers and the higher tier for skilled workers?

Mrs. Dorries: Not at all. As I said, I accept that we need a national minimum wage. My daughter works in the hospitality industry, and goodness knows what she would be paid if there was not a national minimum wage. I accept that we need a national minimum wage, but it is not all good. There are those on whom it has a detrimental effect, and they tend to be the more skilled people. They are paid at a rate that does not reflect their ability because there is almost a cartel of employers holding wages down in different areas. Although the minimum wage may have benefited the majority, there are those who are not benefiting and who would be earning more.

Mr. Donohoe: Will the hon. Lady give way?

Mrs. Dorries: Actually, I think that I will finish now because I am reaching the end of my comments.

As I explained, there was no coded message in what I said. Opposition Members support the Bill and we agree with its principle. However, the Government have persistently placed more legislative and regulatory burdens on employers, which has the most detrimental effect on small businesses. It will come as no surprise to the Minister to hear that the Conservative party is committed to reducing regulatory burdens on employers, giving them more power and opportunities in how they run their businesses and encouraging enterprise in all its forms, particularly, I hope, small business. In contrast, the Government have piled extra complexity and burdens on businesses, and I hope that any changes that they make will reduce that burden. If Lord Jones of Birmingham was right that the Blair Government were the most regulatory Government, perhaps this Government can reverse that in the time that they have left and do some good, particularly for small businesses.

7.49 pm

Mr. David Anderson (Blaydon) (Lab): I want to focus on three issues in the Bill: the minimum wage, the tribunal system and the ASLEF ruling, and the impact of the BNP.

A lot has been said about the history of the minimum wage. My hon. Friend the Member for Dumfries and Galloway (Mr. Brown) is leaving, which is sad, because I want to give him another history lesson. More or less everybody now seems proud of the minimum wage and nobody wants to see it done away with. Most people would say that it was one of the finest achievements of the Labour Government in the late 1990s. One of the biggest problems is that we first introduced it in the early 1900s, but it took us 90 years to put it in place. One of the saddest things is that the trade unions themselves opposed the national minimum wage when the union of the hon. Member for Mid-Bedfordshire (Mrs. Dorries) proposed at the TUC in 1983 that we should have one. Many trade unions, including, sadly, the National Union of Mineworkers, which I was a member of, voted against that. Thankfully, the Labour party and, eventually, the trade unions saw the error of their ways, and we did something that we should rightly be proud of. I am glad that the majority of hon. Members see that that was the right thing to do, and we should build on that.

We should protect those on the minimum wage from rogue employers, and that is rightly built into the Bill. As everyone in the House seems to agree, we should ensure that tips are excluded and that people are paid properly. If a tip is a tip, that is what it is—it is not part of people's wages. We should also protect the minimum wage from people such as the right hon. Member for Wokingham (Mr. Redwood), who said—I will put my glasses on to read this quote, because that is how seriously I take this—that the "minimum wage and other labour market regulation has been the last straw for hard pressed low end industries".

That seems to accord with what the hon. Member for Mid-Bedfordshire has just said. I would argue with her—but I think that she has a point—when she says that some employers have made the minimum wage a ceiling, rather than a floor. That is a problem not with the minimum wage, but with rogue employers taking advantage of it, and that is what should be challenged, not the minimum wage itself.

I want to focus particularly on the issue of paying people under 21 the rate for the job, which was raised by my hon. Friend the Member for North Ayrshire and Arran (Ms Clark), and I want to use my personal experience. I started work at 15 as a fitter at the National Coal Board. I served a four-year apprenticeship. At 19, I was trained, capable and safe. I was able to look after a coal face, and the men there could have been killed if I did not do my job properly. It would have been absurd for somebody to say, "You can do the job, but we're not going to pay you the rate for the job for another two years because you're too young." We would not do that at the end of somebody's working life, so why should we do it at the beginning if they are capable, safe and properly trained? We should really look at that in some detail, and I ask the Minister to consider it as we make progress with the Bill.

Another point that was raised earlier—I am going to put my glasses on again—related to dispute resolution. It is clear that the intent in the Bill is to reduce the amount of regulation and litigation, and I would normally welcome that, but the truth is that where dispute resolution works well and where we have good grievance procedures and good disciplinary procedures, which people know and understand, lay members who probably do not understand such things will have internal protection if they are supported by trade unions or bodies such as the citizens advice bureau. My worry, which has been raised with me by constituents who sit as lay members of tribunals—this has been raised clearly already—is that the proposals are about taking them out of the loop and letting people with a legal background have sole responsibility for deciding cases that they might not be qualified to decide, in the sense that they do not have experience of the workplace from the side of the employer or the employee, even though they will have a legal background. That is a real worry, and we should address it. We should ensure that the proposals that we take forward are not about reducing the number of people with real knowledge and experience who have sat on tribunals for many years, but about doing the job properly.

Finally, I want to come on to the problems with clause 18, which have been raised by the TUC. I understand why the Government feel that they have to come into line with the European Court regulations. It appears that everybody thought that that was fair when the Bill went into the Lords, but the Lords clearly did not think that it was, and they have changed the provisions. It is clear from the TUC brief that many of us have received that the TUC has some major problems with the proposals. One of the main things that I worry about is that we will involve the courts. We should be in no doubt that if the BNP thinks that it can have its day in court, it will not care what it costs or about the legitimacy of its case—it will get up and use the courts of this country as a political platform to argue against the things that we believe in, but which it abhors.

There is a basic democratic tenet here. Through their own democratic processes, trade unions decide what they believe in. I was proud to be the president of Unison. Through many years of negotiation and democratic debate, the union came forward with a constitution saying that the union supported the rights of gay people, lesbians, black people, disabled people and women. The BNP does not support those rights; it supports the same things that fascists have supported throughout the years—discrediting people, pulling people down, making people feel different and exploiting differences. We should be clear that the BNP is not wanted in the trade union movement and we should work with the TUC and others to ensure that the legislation that we introduce tightens up the expulsion of the BNP. The truth is that we should not even be talking about the legal position on this; the trade unions should be able to set their own rules and say, "If you're a fascist, we don't want you."

John McDonnell: In the briefing that my hon. Friend has quoted from, the TUC suggests that Mr. Lee, the BNP member who took action against ASLEF, would have won his case under the Bill, if it goes through. We are therefore in severe danger of legislating in a retrograde way. It is critical that Ministers meet the TUC and others to resolve the matter before we make a fundamental mistake, which would run counter to all that has been said on both sides of the Chamber.

Mr. Anderson: I could not agree more. The hon. Member for Broxbourne (Mr. Walker) is not in his place, but he put it better than anybody else. It is clear that he faces a challenge and that his life is under threat, but he is still prepared to stand up in the House to say that what these people are doing is wrong and that we should stand against it. My hon. Friend the Member for Hayes and Harlington (John McDonnell) is right that we may be over-legislating. We are giving the fascists a second chance that they do not need and should not have. I urge the Minister to do what my hon. Friend has just said: we should get the TUC involved and work with it so that we can have a framework that delivers what we want through the Committee stage of this Bill—the right to expel these people from trade unions and to deny them the right of union membership.

7.59 pm

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): I am delighted to follow the hon. Member for Blaydon (Mr. Anderson). His final remark was that we might be over-legislating, and that was about the only remark in his speech that I can agree with.

The presentation of the Bill in the House has more to do with the Government's not wanting to discuss the Human Fertilisation and Embryology Bill. As the hon. Member for Brent, East (Sarah Teather) said, "It's all to do with Catholics in by-elections." The Bill has been rushed to the House today because the Government did not want to discuss the Human Fertilisation and Embryology Bill.

Michael Jabez Foster (Hastings and Rye) (Lab): Will the hon. Gentleman give way?

Madam Deputy Speaker: I really think that there is no need to extend the debate to the subject just raised by the hon. Member. We have a Bill before us, so I look forward to hearing him conclude our debate on that Bill.

Mr. Clifton-Brown: Thank you, Madam Deputy Speaker. It is just as well that I did not give way to the hon. Member for Hastings and Rye (Michael Jabez Foster), as I would have been even further out of order.

We have had a good-tempered debate today up to now and we have heard 10 good speeches from both sides of the House. I have quite a lot to say about them and I do not want to detain the House for too long, so I am going to limit the interventions I take. When I have had an opportunity to get properly into my speech, I will give way to the hon. Member for Hastings and Rye.

The Bill started its life in the House of Lords as long ago as 7 January 2008. It is curious, then, to consider why it has taken so long to get here. It comprises 22 clauses and is divided into four sections. Clauses 1 to 7 deal with dispute resolution: clause 4 deals particularly with the determination of proceedings without a hearing; clause 5 with the circumstances in which ACAS is obliged to offer conciliation services; and clause 6 repeals section 18 of the Employment Tribunals Act 1996. Clauses 8 to 14 deal with the national minimum wage: clause 13 excludes cadet force adult volunteers from qualifying for the national minimum wage. Clauses 15 to 17 deal with employment agencies and clause 18 relates to trade unions. I intend to say something about all of those provisions.

We have heard excellent speeches, not least on the Opposition side from my hon. Friends the Members for North-East Hertfordshire (Mr. Heald), for Broxbourne (Mr. Walker), for Aldridge-Brownhills (Mr. Shepherd) and for Mid-Bedfordshire (Mrs. Dorries). I was particularly impressed by my hon. Friend the Member for North-East Hertfordshire, as what he said, speaking without notes on the basis of his huge experience in employment tribunals, was enormously beneficial to the House. He proved that the Government's rushed legislation of 2002, introduced by the right hon. Member for Kingston upon Hull, East (Mr. Prescott) on the basis of his three-step and increasingly legalistic approach, was subsequently shown by the trade unions and others to be not the best way of proceeding with industrial tribunals. The Bill is welcome in that it starts to put right some of what the Government got wrong in 2002. My hon. Friend, along with the hon. Member for Blaydon and others on the left of the Labour party, demonstrated that the experience of members of employment tribunals counted for a great deal. It is a pity that the Government got this wrong in 2002; perhaps the Bill will begin to restore some of what was lost then.

I worry about the timetable. As the Minister made clear, consultation on the code will not finish until 24 July, yet under the timetable we are asked to accept later this evening, all stages of the Bill must be concluded by 23 October. For most of that time, the House will be in recess, so it will be difficult for us to get together to discuss what is in the Bill. The timetable makes it very difficult for the House to consider the code, which is one of the key aspects of the Bill.

My hon. Friend the Member for Mid-Bedfordshire alluded to the British Chambers of Commerce, which has conducted many surveys of its members who own small businesses. It calculates that the regulations introduced by the Government since they came to power 1997-98 amount to some £65 billion-worth of costs. She also quoted from the Federation of Small Businesses, which estimated that about 68 per cent. of its members do not employ anybody because they are fearful of employment legislation—in other words, they are one-man businesses. The Government should note that most of the employers in the small business sector have to deal with the welter of employment legislation on their own because they cannot afford to employ people to do it for them.

I will move on to deal with disputes resolution and hearings, along with the three-step approach and Government studies. If the Bill can simplify the way we deal with disputes, and particularly how if clause 7 deals with the enforcement of the award of compensation can be simplified that will be welcome. We have had a good amount of discussion this evening about how best to amend clause 7 to ensure that awards by tribunals can be enforced a little more quickly.

Clauses 8 to 13 on the national minimum wage have been extensively debated. My hon. Friend the Member for Broxbourne bravely said that if he had been a Member when the national minimum wage legislation had been debated and voted on, he would not—with the experience that he has now gained—have voted for it. That is probably true for a large number of Conservative Members. The hon. Member for Dumfries and Galloway (Mr. Brown) asked how he could have debated the national minimum wage in Committee from 4.30 in the afternoon to 1 am the next day and still have been in the same parliamentary day. The answer is, of course, that we remain in the same day until the House adjourns. He may be right that that was one of the longest-ever such Committee sittings.

John McDonnell: I am not making a party political point as I want to reach consensus, but what is the official Opposition's position on the minimum wage for people under 21? Do they support it or are they open to discussion to reach consensus on abolition?

Mr. Clifton-Brown: We are still discussing the issue. I understand that there are three different rates according to different ages, but it is a matter that we wish to continue to discuss. Suffice it to say that we support the national minimum wage and its regular updating at least in line with inflation, which is quite a shift for the Conservative party in comparison with our position a few years ago. I am sure that the hon. Gentleman will understand if I do not go beyond saying that at this stage.

Michael Jabez Foster: The hon. Gentleman is now recanting the decision originally to vote against the minimum wage and he suggested that little of what my hon. Friend the Member for Blaydon (Mr. Anderson) said was correct—except for the point about the British National party. Does the hon. Gentleman agree that the BNP has absolutely no place in the trade union movement or, for that matter, in any part of public life in Britain?

Mr. Clifton-Brown: I am grateful to the hon. Gentleman for raising that issue, which relates to clause 18 on the trade unions. I will be working my way slowly through the Bill and I certainly intend to deal with that issue.

Mr. Heald: Does my hon. Friend agree that in reflecting on rates of pay for the under-18s, it is important to take into account the new obligations proposed in the Education and Skills Bill? Employers will be required to pay for training to a much greater extent than previously. Should not that also be weighed in the balance?

Mr. Clifton-Brown: I agree with my hon. Friend that all these costs on employers must be taken into account. If we continue to pile regulations on employers, our country will become less competitive. The same applies to the EU, which has lost 10 per cent. of its world trade in the past 10 years. Some experts estimate that if we continue to impose extra regulations and burdens on industry, we will lose 40 per cent. of world trade in the next 20 years. We need to consider that possibility very seriously. It is not a matter of individual pieces of legislation, as I am sure my hon. Friend would agree, but rather the aggregate effect of all legislation that impacts on businesses. As my hon. Friend the Member for Mid-Bedfordshire said, it is not so much the cost, but the burden of administering the regulations and their continually changing nature that causes the problems, as employers have to keep retraining people on the basis of what the newest legislation means. That is particularly burdensome on small businesses.

David Taylor: The hon. Gentleman is right to talk about the aggregate burden of regulation. He referred earlier, as did the hon. Member for Mid-Bedfordshire (Mrs. Dorries), to total costs of £65 billion—a figure suggested by the British Chambers of Commerce. However, if we look at the aggregate gross domestic product since the present Government have been in power, that £65 billion represents a little more than 0.5 per cent. of GDP. Is that the sort of burden that would push firms to the wall?

Mr. Clifton-Brown: With great respect—and I do have great respect for the hon. Gentleman—I do not regard £65 billion as a small sum. I consider it incumbent on any Government to legislate for the minimum amount necessary to ensure that businesses operate properly and employers and employees are treated fairly, and in particular to ensure that employees do not suffer discrimination in the workplace.

Mr. McFadden: Does the hon. Gentleman accept that the BCC figure to which he referred includes measures such as increasing disabled access to public transport? Does he consider that to be a burden, or the mark of a civilised society?

Mr. Clifton-Brown: I certainly consider it to be the mark to a civilised society. What I do not know, and what the Minister did not say in his intervention on my speech, is how much of that £65 billion relates to the regulations. I suspect that it is not a huge amount, but I stand to be corrected.

Several hon. Members *rose*—

Mr. Clifton-Brown: I want to make progress, because I have been speaking for a while and I want the Minister to have a chance to catch up.

I welcome clause 13, which excludes cadet force volunteers from certain obligations that they are currently required to observe. I particularly welcome the clarification about adult volunteers, because there were fears in my constituency about the possibility that adult volunteer drivers would have to pay all sorts of tax and other charges. I also welcome what was said by my hon. Friend the Member for Broxbourne about employment agencies, which perform a valuable function in returning people to work. We want them to operate properly, but I remain to be convinced that the number of rogue employment agencies out there warrants such draconian legislation.

Clause 18 relates to trade unions and trade union membership, which has been discussed extensively this evening. It is heartening to learn that the left wing of the Labour party—the old socialist party—is still alive and well. We heard it from the hon. Member for Hayes and Harlington (John McDonnell), we heard it from the hon. Member for Blaydon, and we heard it from the hon. Member for Dumfries and Galloway.

Of course we all want to see trade unions functioning well, but there must be a balance in society between what they do for their members and what they do for the rest of the country. I think most unbiased people would conclude that in the 1970s, when we experienced the winter of discontent, we got the balance wrong. Some would argue about whether the balance was maintained in the other direction during the 1980s and 1990s. I would say that we should be careful not to place too great a burden on businesses, and not to place trade unions above the law in any respect. I do not want to see the country return to the immunity from prosecution that the trade unions enjoyed, in some respects, in the 1970s and before.

Let me deal with the specific point made by the hon. Member for Hastings and Rye about the BNP, which clearly causes a big problem to my hon. Friend the Member for Broxbourne in his own constituency. I am sure that none of us in the House espouses the policies of the BNP, which are abhorrent to many of us.

Mr. Walker: Will my hon. Friend give way?

Mr. Clifton-Brown: Will my hon. Friend allow me just one second? I think what I say will help him. Those policies are abhorrent, but what was most abhorrent about what my hon. Friend described was the threatening behaviour towards him in particular. If any organisation says "We are watching you", that implies a threat, which is unacceptable in a civilised society. Now I will happily give way to my hon. Friend.

Mr. Walker: I thank my hon. Friend for his kind words.

The BNP is no longer a problem in Broxbourne, in the sense that it is no longer a political force. It has been wiped out over the past three years. The real problem is the way in which its members behave and communicate. They do not understand civilised political discourse: their raison d'être is intimidation and veiled threats of violence. That is the real problem with the BNP, not just in Broxbourne but throughout this country of England that we love so much.

Mr. Clifton-Brown: I entirely agree. I think that the problem with the BNP, or at least some of its members, is the fact that they hold such extreme views that they cannot understand why those views, and their behaviour, are not at least accredited by others.

John McDonnell: Will the hon. Gentleman give way?

Mr. Clifton-Brown: I will in a second, for the last time.

Let me say gently to the Minister—I think he will face quite a long Committee stage given all the demands made by his hon. Friends, which will need to be debated at great length: I do not know how the Government will meet their timetable—that we have a tradition in this country of not legislating for individual prejudices. That means that he will somehow have to construct a Bill that deals with circumstances rather than the prejudices of individuals and, I suspect, individual parties. I think he will find it quite difficult to achieve that while ensuring that the Bill complies with the European convention on human rights, but I wish him well. He has the sympathy of the whole House, and I am sure that my party will support him on those and, indeed, other aspects of the Bill.

Michael Jabez Foster: Will the hon. Gentleman give way?

Mr. Clifton-Brown: No. I will give way to the hon. Member for Hayes and Harlington, but I will not give way after that.

John McDonnell: The hon. Gentleman depicted a number of us as left-wing or old Labour, when we were simply referring to the installation in British law of International Labour Organisation conventions concerning the right to withdraw one's labour. Will he comment on the statements of his colleague the shadow Chancellor of the Exchequer, the hon. Member for Tatton (Mr. Osborne), about the need to restrict the right to strike in certain public services? How are the Opposition developing that policy?

Mr. Clifton-Brown: If the hon. Gentleman is trying to deny that he is one of the old socialist brothers, I think that his record will belie that argument and that he is embarking on an uphill struggle. As for the right to restrict strikes in the public sector, I will not go down that route. I have already been upbraided once by you, Madam Deputy Speaker, for not speaking within the terms of the Bill. The hon. Gentleman may wish to argue the point in Committee. I hope that his party will have the courage to put him on the Committee, because I think he would be a very valuable member of it. That remains to be seen, but I have my doubts.

Michael Jabez Foster: Will the hon. Gentleman give way once more?

Mr. Clifton-Brown: No, because I am up against my deadline. I have taken more than my allotted time—although there is time.

Michael Jabez Foster *rose*—

Mr. Clifton-Brown: All right. I will give way for the last time.

Michael Jabez Foster: That is very generous.

The hon. Gentleman shares the justified prejudice of us all against the BNP. Does he agree that the trade union movement has a reasonable case, and that the Bill should reflect that by enabling it to expel BNP members?

Mr. Clifton-Brown: As I said, if the Government legislate not to deal with individuals' or even individual parties' prejudices, but to specify circumstances, which is what the Bill will have to do in order to comply with the ECHR, I would support clause 18, which would allow unions to expel members who behaved in an unacceptable way. The ASLEF case invoking the ECHR proved the difficulty, and I think the issue needs to be clarified in the light of that case.

We feel that the Bill contains good measures, but some of its provisions need clarification while others will impose burdens on businesses. I am sure that my hon. Friends on the Committee will wish to examine them in depth and to try to ensure that the Bill emerges from the Committee in a more workable form, certainly in the context of employment tribunals. That is incredibly important, because, as my hon. Friend the Member for North-East Hertfordshire pointed out, the increase in the number of tribunal cases since 1998—from 29,000 to 130,000—proves that there is a huge need for it.

The Government—or, rather, the Opposition—will not vote against the Bill tonight, but we will wish to discuss it further in Committee, and we will reserve our stance on Third Reading. However, we do not think sufficient time has been timetabled in respect of the conclusion of the consultation on the code on 24 July and the Bill's ending—unnecessarily we believe—by 23 October. That will not give sufficient time for Members to make representations after hearing from their constituents over the summer recess.

The Prime Minister has said that simplification, clarification and cost saving are all at the heart of the Bill. The Opposition support those principles and we will support those parts of the Bill that aim to achieve them and that seem likely to do so. However, the record of this Government has been to pile complexity and burdens on employers and any changes they make are likely only partially to reduce the burdens they themselves have introduced. We will be watching the Government carefully to see if they reduce the burdens on business.

8.19 pm

The Minister for Energy (Malcolm Wicks): I agree with the hon. Member for Cotswold (Mr. Clifton-Brown) in one respect: the Government will not be voting against this Bill tonight.

As my hon. Friend the Minister for Employment Relations and Postal Affairs said, the Employment Bill will make important improvements to key areas of employment law. It will put in place an enforcement framework that provides increased protection for vulnerable workers and reputable businesses, and it will reduce the regulatory burden of resolving disputes at work, to the benefit of both businesses and individuals. This twin approach—increasing protection for the vulnerable while reducing regulatory burdens—is crucial to meeting current and future economic challenges in the UK. Since 1997, developments in UK employment policy have been based on achieving a labour market that combines fairness with flexibility.

John McDonnell: To re-establish my credentials as a socialist, may I ask why, after 11 years of this Government, trade unionists still do not have the same rights that they had after Taff Vale in 1906? Why under this Government can we have events such as Gate Gourmet where people can be sacked on a whim's notice, having been undermined by agency workers? The proposed legislation does not even address those issues. How is it that we can wait so long under a Labour Government and yet trade unionists here are still denied the rights that other trade unionists have across Europe?

Malcolm Wicks: My hon. Friend is wrong on this, as he is on so many matters now, sadly. There has been a significant extension of trade union rights. The Bill is about improving another important aspect of trade union and civil liberties: the national minimum wage, which is the subject to which I shall now turn.

As an amateur political historian, I found it interesting to hear Conservative Members try to justify why once upon a time they voted against the minimum wage. One Member agonised about what he would have done. Apparently, they now support a national minimum wage. I am reminded—

Mr. Heald: Will the Minister give way?

Malcolm Wicks: Not just yet, no, although obviously the hon. Gentleman's party has given way on the national minimum wage, and we should be grateful for that.

Mr. Walker: Will the Minister give way?

Malcolm Wicks: I will do so later, as there is plenty of time.

The Conservative party's position on the national minimum wage, and also more recently Opposition Members joining in the celebrations of the 60th anniversary of the national health service, reminded me of Tony Crosland saying in his book, "The Future of Socialism"—if I can be forgiven for using that word—that as the Conservative party has accommodated to a modern democracy, it now proudly wears the medals of battles it has lost. That is true for the national minimum wage and the national health service.

Mr. Clifton-Brown: Will the Minister give way?

Malcolm Wicks: Let me make a little progress.

We are determined now to go after the minority of employers who do the wrong thing.

Mr. Clifton-Brown: Will the Minister give way on the comments he has just made?

Malcolm Wicks: Yes; on the battles the hon. Gentleman's party has lost, of course I will give way.

Mr. Clifton-Brown: I am grateful to the Minister for giving way, because he is teasing us all the way along the line. Has his party never changed its mind? May I mention clause 4?

Malcolm Wicks: Only in the sense that we now have a far better clause 4, because we believe in improvement and modernisation.

Mr. Walker: Will the Minister not accept that the ability to change one's mind is the sign of a mature politician? I understand that he has changed his mind on nuclear energy, for example. Is he not a mature politician?

Malcolm Wicks: Sadly, I am even more mature at least in a chronological sense—I do not suggest in any other sense—than the hon. Gentleman. Of course, when the facts, circumstances or evidence changes, one should change one's mind. Just to be accurate in terms of my own position, on civil nuclear I have moved from being nuclear-neutral to being in favour. However, I must not get back into my comfort territory, as I am in temporary employment tonight in talking about employment. *[Interruption.]* I do not want this to be an interview.

I was saying that we are determined now to go after the minority of employers who do the wrong thing by the minimum wage. Of course, the best protection we can offer is to strive to ensure that arrears do not arise in the first place. That is why the Bill strengthens the enforcement framework and increases the deterrent to non-compliance. It will provide greater support to vulnerable workers and fair arrears for the underpaid, and will help to ensure a level playing field for compliant businesses by making it clear both that underpayment is unacceptable and what the consequences will be. Many, including the TUC and the CBI, have welcomed the reform. The CBI has said:

> "It will make the obligations and penalties clearer and more straightforward for employers and help ensure that all workers get the pay packet they are entitled to."

Paul Farrelly (Newcastle-under-Lyme) (Lab): Will the Minister give way in the interests of balance?

Malcolm Wicks: I will give way to my hon. Friend in the interests of anything.

Paul Farrelly: Perhaps I can strike a different tone from that of my colleague, the hon. Member for Hayes and Harlington (John McDonnell). The Bill touches on agency workers and exploitation in respect of enforcement. Clearly, the CBI and TUC have recently agreed a compromise on the substance of the protection for agency workers—I addressed that matter as part of my private Member's Bill last year—and I welcome that. Did the Minister note that neither the Conservative nor the Liberal Democrat Front-Bench team welcomed and supported that compromise tonight?

Malcolm Wicks: I did notice that, but clearly the parties are in a mood to address the evidence and to change, if the argument warrants that.

Mr. Heald: On a point of order, Mr. Deputy Speaker. Is it in order for the hon. Member for Newcastle-under-Lyme (Paul Farrelly) to make an intervention about the debate when he has not been involved in it? *[Interruption.]*

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. That sedentary comment was not very helpful. The proceedings that take place do so in this Chamber, and

[Mr. Deputy Speaker]

those are the matters to which we shall refer. That was not a point of order, and the hon. Member for Newcastle-under-Lyme (Paul Farrelly) is entitled to intervene.

Malcolm Wicks: I am happy to take interventions. One comment made by my hon. Friend the Member for Hayes and Harlington (John McDonnell) dealt with the enforcement of the minimum wage. May I remind colleagues, as the Minister for Employment Relations and Postal Affairs did at the beginning of the debate, that in November 2006 the then Chancellor announced an increase in the budget for the enforcement and the monitoring of the minimum wage for the next four years, amounting to some £11.6 million of extra enforcement and monitoring money? I hope that hon. Members would agree that that is helpful. The enhanced budget enables us to respond in a highly effective way to the changing scene, through the recruitment of additional staff, more research and better communication. With the increased budget, Her Majesty's Revenue and Customs is recruiting an additional 20 people in 2007-08, the majority of whom are front-line enforcement staff, the remainder being part of the minimum wage technical team, which works on supporting the helpline, for example, and inspectors on more complicated cases. We have also significantly increased our publicity budget, maintaining our focus on hard-to-reach groups. That work includes a radio campaign and, indeed, an outreach campaign.

John McDonnell: That matter was covered in an Adjournment debate in Westminster Hall some weeks ago, when we welcomed the £3 million of additional money, but reflected that at that point in time it had not resulted in an additional number of posts being filled. Vacancies in the department were already being held open, so there has not been the additionality in staffing expected by the then Chancellor of the Exchequer—now the Prime Minister—when he announced that money. I would welcome a letter from the Minister to the Public and Commercial Services Union, which is the union that has raised these points in the debate and still has not received an adequate response.

Malcolm Wicks: I hope that my hon. Friend will accept that there has been a great deal of extra publicity and that the minimum wage bus has been touring in the regions too.

Mr. Clifton-Brown: The Minister for Employment Relations and Postal Affairs told the House that 1,649 employers were non-compliant on the minimum wage, yet only 59 enforcement notices and 25 penalty notices had been issued. If the regulations are in place, surely it ought to be possible to get to grips with that huge number of non-compliant employers.

Malcolm Wicks: The emphasis has been on compliance. Now there will be an automatic penalty, and I have mentioned the extra money—£11.6 million—that the Chancellor has given the Department for extra enforcement. The hon. Member for Huntingdon (Mr. Djanogly) implied—I do not blame him; we all get confused by statistics—that only 5 to 10 per cent. of employers will get a penalty. For the record, that is not the case. A civil penalty will be imposed in cases in which an enforcement officer identifies that the minimum wage has not been paid correctly to any worker. That contrasts with the current regime, under which a penalty is payable only if an employer fails to comply with an enforcement notice. That supports what I was saying about the emphasis on enforcement. The misunderstanding arises because the 5 to 10 per cent. are those cases in which arrears exceed £5,000, so there is the potential for a Crown court prosecution with unlimited fine.

The hon. Gentleman also asked about the certification officer in relation to trade union powers. The certification officer has important powers to remedy failures by trade unions to follow their own rules. He can order a union to put right a breach of its rules, and that order is enforceable in the same way as a court order.

The hon. Gentleman raised the issue of the report by the TUC commission on vulnerable employment, which was issued some weeks ago. My hon. Friend the Member for Dumfries and Galloway (Mr. Brown) also asked about that. The House may be aware that the vulnerable workers enforcement forum has met over the past year, chaired by my hon. Friend the Minister for Employment Relations and Postal Affairs. It includes representatives from the TUC, the CBI and the National Association of Citizens Advice Bureaux, and from enforcement agencies. It has considered several important issues, such as the fear of reporting abuses, the lack of knowledge of to whom complaints should be reported, the co-ordination of enforcement between different Government agencies, and other issues of enforcement.

The forum considered the issues and heard evidence from many of the bodies that I have mentioned, including citizens advice bureaux, trade unions and representatives of migrant workers and the construction and hospitality industries. It will report in the near future, perhaps before the summer recess. That is not definite, but is one possibility.

The hon. Member for Brent, East (Sarah Teather), on behalf of the Liberal Democrats, raised the issue of the enforcement of employment tribunal awards. In most cases, such awards should be paid within 42 days of the judgment, unless the respondent decides to appeal the judgment. The exceptions are discrimination and equal pay cases, in which payment is due the day following the judgment. Unpaid awards may be enforced by application to the courts, in the same way as county court judgments, a system that will be streamlined by the provisions of the Tribunals, Courts and Enforcement Act 2007. The Ministry of Justice expects to introduce secondary legislation under the Act by April 2009 which will mean that if an award remains unpaid after 42 days claimants can go straight to enforcement in the county court or the High Court by a simplified route. The current Act separately provides for the tribunal to award compensation for the full financial loss in simple monetary terms—for instance, if credit card or mortgage payments fail because of the action of the employers.

Research will be undertaken by the Ministry of Justice to clarify how many claimants do not receive their awards, and the contributing factors to the failure. I should also say that my hon. Friend the Minister for Employment Relations and Postal Affairs will be meeting representatives of the citizens advice bureaux on Wednesday to discuss further the evidence from citizens advice bureaux.

Sarah Teather: I raised all those points in my speech and acknowledged that the Government had made some changes in the 2007 Act. Nevertheless, what the Minister is outlining does not deal with the financial outlay that a claimant must make in order to take a case through the county court or the High Court. The registration issue is not the problem for individuals. I am pleased to hear that the Minister's colleague will meet the citizens advice bureaux this week. I am sure that they will present all the evidence that he needs without further research.

Malcolm Wicks: My colleague looks forward to meeting the citizens advice bureaux, as well as our colleagues in the Ministry of Justice. We are aware of the problem and we need to find out more facts and to tackle it, but I was outlining some of the improvements that there have been.

Mr. David Drew (Stroud) (Lab/Co-op): Does my hon. Friend accept that one of the problems with the process is not only the non-payment but the wilful disregard with which some companies treat a former employee? They drag the process out as long as they possibly can, knowing that they will lose, but little can be done because the process has a momentum of its own. That surely is not fair in this day and age.

Malcolm Wicks: I understand that. Indeed, in my own constituency I have had experience of one or two such situations. I understand what my hon. Friend and other colleagues are saying. That is why we are not complacent. We are maintaining the dialogue and, if necessary, we will take further action.

My hon. Friend the Member for North Ayrshire and Arran (Ms Clark) raised a point, which was touched on by one or two other colleagues, about mariners. That is a complex matter, as my hon. Friend the Member for Wolverhampton, South-West (Rob Marris) said. Under current legislation, all resident and non-resident seafarers are entitled to the minimum wage while they are in the UK's internal waters. A seafarer on a UK-registered ship anywhere in the world is entitled to the national minimum wage unless his employment is wholly outside the UK or he is not ordinarily resident in the UK.

International maritime law, and specifically the right of innocent passage, means that the UK is unable to apply legislation to ships sailing under the flag of another country. That is reciprocal. For example, British ships enjoy that right in the Gulf and when passing close to Saudi Arabia. If the Government were to apply further legislation just to UK flagships they would run the risk of those ships flagging out and diminishing the number of UK ships sailing under the UK flag, something that the Government are committed to preventing. If vessels choose to flag out, not only will the number of UK flagships diminish but the seafarers aboard will miss out on the other entitlements that sailing under the UK flag ensures.

Understandably, the issue of tips and how they relate to the minimum wage was raised by a number of colleagues. I strongly agree with the view of my right hon. Friend the Secretary of State for Business, Enterprise and Regulatory Reform that tipping is an important issue. I want to assure hon. Members that we are looking carefully at finding a solution. I, like so many others who have spoken, feel that when a tip is given to a waiter in a restaurant or catering establishment, that tip should go to the waiter or waitress and not to the boss or the national company involved.

Mr. Russell Brown: In view of the fact that the Minister is saying that the Department is considering the subject, even at this early stage—although some of us believe that it is somewhat late in coming—can the Department make it known to those out there who are abusing the system that their days are numbered?

Malcolm Wicks: My right hon. Friend the Secretary of State has made his views clear and we have had direct contact with the hospitality industry about that important issue.

In addition to cracking down on the underpayment of agency workers, we determined that they should be properly protected from abuse. The Bill will allow an appropriate sanction to deal with the small minority of agencies that deliberately flout the law. No business should be allowed to get away with unfairly undercutting legitimate operators by underpaying workers or exploiting vulnerable agency staff. The Recruitment and Employment Confederation, a key industry body, said:

> "We welcome this Bill as it aims to crack down on those employers and agencies that are cutting corners and mistreating workers."

I turn to dispute regulation. I listened carefully to the remarks of the hon. Member for Mid-Bedfordshire (Mrs. Dorries) on the subject. Alongside tougher enforcement the Bill promotes greater flexibility and reduces burdens on business. The hon. Lady asked me directly whether the Bill reduces regulation. Equally directly, I say yes it does. The reforms to workplace dispute resolution contained in clauses 1 to 7 will encourage employers and employees to find ways that make sense to them to sort out their disputes. In place of rigid statutory requirements that cost employers more than £100 million a year, the ACAS code on discipline and grievance will provide guidance both to employers and employees on the principles of natural justice that enable disputes to be resolved effectively.

Our reforms enable ACAS conciliation to be even more effective by removing time limitations on when the service can offer help to parties in dispute. To support ACAS, we are investing up to £37 million over the next three years to promote more early conciliation and to improve the ACAS advice line. That will help many people to resolve disputes without the stress and expense of a tribunal hearing.

My hon. Friend the Member for North Ayrshire and Arran spoke about trade union law, and the hon. Member for Broxbourne (Mr. Walker)—a fellow member of the trade union Unite—spoke movingly of his experience of harassment by the foul BNP. All of us who heard his speech were impressed by it. Clause 18 is the only clause in the Bill which deals with trade union law. It appears in the Bill because we are obliged as a matter of policy to amend our law as soon as possible to comply with judgments of the European Court of Human Rights. In other words, it is not an option for us to do nothing and leave the law as it is.

It was predictable that the clause would attract a lot of attention in our debate. The same happened when the Bill was debated in the other place. As Members

[Malcolm Wicks]

know, the clause, as originally drafted, provoked great concern from both sides of that House, including from Lord Morris of Handsworth, former general secretary of the Transport and General Workers Union. We amended the clause to deal with those concerns. The amendments were heavily influenced by the views expressed by the Joint Committee on Human Rights.

Clause 18 deals with the way that the law balances conflicting human rights—philosophically and legally a difficult and complex matter—principally the rights of freedom of association and the right to freedom of political belief. This is difficult territory, and involves some delicate judgments.

Paul Farrelly: I recognise that the territory is difficult, but does my hon. Friend recognise that the TUC still has some concerns about the drafting that has come from the House of Lords? It is concerned that unions are still over-regulated in that respect, so will my hon. Friend be amenable to sensible amendments in Committee?

Malcolm Wicks: We know of the TUC's concerns and no doubt those matters will be discussed in Committee.

Clause 18 aims to strike a new balance in the law relating to exclusion and expulsion from trade unions on grounds of political party membership. The net effect is to create greater freedom for trade unions to set and apply their own membership rules. However, that greater freedom is qualified by the creation of safeguards to prevent potential abuse. We believe that those safeguards are workable, clear and fully compatible with the way that trade unions run their internal affairs. The safeguards should not, therefore, give rise to mischievous litigation, as the TUC fears. We are also clear that the clause will ensure compliance with the European Court's judgment.

Mr. Walker: I agree that people have the right to be members of the BNP; but likewise, unions must have the right to tell members of the BNP, "You are not going to be part of our organisation."

Malcolm Wicks: Absolutely right; I agree with the hon. Gentleman. We are concerned that removing reference to former membership of a political party would provide an avenue by which individuals with extreme political views could infiltrate a trade union. For example, a BNP member could resign his or her party membership on learning of the union's intention to expel him or her, only to rejoin once the threat of expulsion had passed. The process could continue indefinitely, thus imposing considerable administrative costs on the union and undermining its rights, as determined by the European courts.

Lorely Burt: I understand the point that the Minister is making about trade unions and people who have been past members of an organisation that is incompatible with the aims and objectives of a trade union. However, as I understand the Bill, if someone had been a member of such an organisation in years past, that would prevent them from ever joining a trade union. I find that a little worrying. I do not know what the answer is, and I wonder whether the Minister has an idea.

Malcolm Wicks: I understand the point, but there will be safeguards to ensure that that eventuality does not arise, and common sense will apply. I would also trust in the good sense of a trade union if someone wanted to join who had been a member of one those parties 20 years ago when he or she was a 17-year-old.

The hon. Member for North-East Hertfordshire (Mr. Heald) made a thoughtful speech, drawing on his own experience, and asked about the tripartite nature of tribunals. I simply but sincerely want to assure him about the Government's commitment to the three-member panel in all cases where the reasonableness of behaviour is an important element of the tribunal's consideration. Parliament has accepted for many years the case for tribunal chairs to sit alone in certain jurisdictions where that is not a key concern. I hope that we can reassure the hon. Gentleman on that point.

I turn, towards the end of this address—[HON. MEMBERS: "Hear, hear."] I am encouraged to go further, but I will try to draw my remarks to a conclusion. Again, I return to the speech made by the hon. Member for Mid-Bedfordshire. She talked about her early experience of being supported by her trade union—the Royal College of Nursing—so that, in those dark days, she was able to eat. Nevertheless, she now seems rather sceptical about the legislation that supports the rights of female employees. She did so on the basis of over-burdens, but I noted her concerns. Many hon. Members would say that of course we need to get the balance right, but such things constitute one of the great developments in this country, alongside the move back towards full employment that we have seen.

Let us not forget that employment is still at a record level in Great Britain. That includes a great advance in female employment, with proper balances, so that people can have the right work-life and work-family balances. An interesting statistic shows that that is now being accepted by women and many employers: the proportion of mothers who change their employer when returning to work has fallen dramatically from 41 per cent. in 2002 to only 14 per cent. in 2007. That shows an acceptance by both the employer and the employee that we are getting the balance right, and it shows that more and more employers are doing the sensible thing of welcoming back, not just for legal reasons, valued female members of staff after they have had their babies.

My hon. Frien[illegible]e Member for Hayes and Harlington said that the Bill should give time-off rights to union environmental representatives. As the Minister for Energy, I am aware of that, but this is a fairly new development. The TUC has received support from the union modernisation fund for that purpose.

John McDonnell: Will the Minister give way?

Malcolm Wicks: No, I do not think so.

I might not have been able to cover all the detailed points that hon. Members have raised because, sadly, time has not allowed me to do so. However, I commend the Bill to the House.

Question put and agreed to.

Bill accordingly read a Second time.

EMPLOYMENT BILL *[LORDS]* (PROGRAMME)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A(7) (Programme motions),

That the following provisions shall apply to the Employment Bill [*Lords*]:

Committal

1. The Bill shall be committed to a Public Bill Committee.

Proceedings in Public Bill Committee

2. Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 23rd October 2008.

3. The Public Bill Committee shall have leave to sit twice on the first day on which it meets.

Consideration and Third Reading

4. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on consideration and Third Reading.

Other proceedings

7. Any other proceedings on the Bill (including any proceedings on consideration of any message from the Lords) may be programmed.—*[Mark Tami.]*

The House divided: Ayes 301, Noes 122.

Division No. 263] **[8.50 pm**

AYES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, rh Ed
Barron, rh Mr. Kevin
Bayley, Hugh
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blears, rh Hazel
Blizzard, Mr. Bob
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Des
Browne, Mr. Jeremy
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Burt, Lorely
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Campbell, Mr. Alan
Campbell, rh Sir Menzies
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cook, Frank
Cooper, Rosie
Cooper, rh Yvette
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Durkan, Mark
Eagle, Angela
Eagle, Maria
Ellman, Mrs. Louise
Ennis, Jeff
Farrelly, Paul
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, rh Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael
(Worcester)
Foster, Michael Jabez
(Hastings and Rye)
Francis, Dr. Hywel
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hancock, Mr. Mike
Hanson, rh Mr. David
Harvey, Nick
Havard, Mr. Dai
Healey, John
Heath, Mr. David
Hemming, John
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoey, Kate
Holmes, Paul
Hood, Mr. Jim
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Horwood, Martin
Howarth, David
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Hughes, Simon
Huhne, Chris
Humble, Mrs. Joan
Iddon, Dr. Brian
Illsley, Mr. Eric
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Laws, Mr. David
Laxton, Mr. Bob
Leech, Mr. John
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McFadden, Mr. Pat
McGovern, Mr. Jim
McIsaac, Shona
McKenna, Rosemary
McNulty, rh Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh David
Miller, Andrew
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moore, Mr. Michael
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, rh Mr. Elliot
Mudie, Mr. George
Mulholland, Greg
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Öpik, Lembit
Pearson, Ian

Plaskitt, Mr. James
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Purnell, rh James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Rennie, Willie
Riordan, Mrs. Linda
Robinson, Mr. Geoffrey
Rogerson, Dan
Rooney, Mr. Terry
Ruddock, Joan
Russell, Bob
Russell, Christine
Ryan, rh Joan
Salter, Martin
Sanders, Mr. Adrian
Seabeck, Alison
Sharma, Mr. Virendra
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Simpson, Alan
Skinner, Mr. Dennis
Slaughter, Mr. Andy
Smith, rh Mr. Andrew
Smith, Ms Angela C.
(Sheffield, Hillsborough)
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Smith, Sir Robert
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Straw, rh Mr. Jack
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Teather, Sarah
Thomas, Mr. Gareth
Thornberry, Emily
Timms, rh Mr. Stephen
Tipping, Paddy
Touhig, rh Mr. Don
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, rh Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Webb, Steve
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Mrs. Betty
Williams, Mr. Roger
Williams, Stephen
Willott, Jenny
Wilson, Phil
Winnick, Mr. David
Winterton, rh Ms Rosie
Woodward, rh Mr. Shaun
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wyatt, Derek
Younger-Ross, Richard

Tellers for the Ayes:
Mr. Dave Watts and
Siobhain McDonagh

NOES

Afriyie, Adam
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baldry, Tony
Beresford, Sir Paul
Blunt, Mr. Crispin
Boswell, Mr. Tim
Brazier, Mr. Julian
Browning, Angela
Burns, Mr. Simon
Carswell, Mr. Douglas
Clifton-Brown, Mr. Geoffrey
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Davies, Mr. Dai
Davies, David T.C.
(Monmouth)
Davies, Philip
Dorries, Mrs. Nadine
Duncan, Alan
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Field, Mr. Mark
Francois, Mr. Mark
Fraser, Christopher
Gale, Mr. Roger
Garnier, Mr. Edward
Gibb, Mr. Nick
Goodwill, Mr. Robert
Gray, Mr. James
Green, Damian
Greening, Justine
Greenway, Mr. John
Gummer, rh Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hands, Mr. Greg
Harper, Mr. Mark
Heald, Mr. Oliver
Hendry, Charles
Herbert, Nick
Hollobone, Mr. Philip
Holloway, Mr. Adam
Howarth, Mr. Gerald
Howell, John
Hunt, Mr. Jeremy
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Kirkbride, Miss Julie
Laing, Mrs. Eleanor
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Leigh, Mr. Edward
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lilley, rh Mr. Peter
Loughton, Tim
Mackay, rh Mr. Andrew
Main, Anne
Maples, Mr. John
Maude, rh Mr. Francis
May, rh Mrs. Theresa
McCrea, Dr. William
McIntosh, Miss Anne
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Murrison, Dr. Andrew
Neill, Robert
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paterson, Mr. Owen
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Randall, Mr. John
Redwood, rh Mr. John
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, rh Mr. Peter
Rosindell, Andrew
Ruffley, Mr. David
Scott, Mr. Lee
Simpson, Mr. Keith
Spink, Bob
Stuart, Mr. Graham
Swayne, Mr. Desmond
Swire, Mr. Hugo
Syms, Mr. Robert
Taylor, Mr. Ian
Taylor, Dr. Richard
Timpson, Mr. Edward
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Villiers, Mrs. Theresa
Walker, Mr. Charles
Whittingdale, Mr. John
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, Mr. David
Wilshire, Mr. David
Wilson, Mr. Rob
Winterton, Ann
Winterton, Sir Nicholas
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George

Tellers for the Noes:
Angela Watkinson and
Mr. Richard Benyon

Question accordingly agreed to.

EMPLOYMENT BILL *[WAYS AND MEANS]*

Motion made and Question put forthwith, pursuant to Standing Order 52 (Money resolutions and ways and means resolutions in connections with bills).

That, for the purposes of any Act resulting from the Employment Bill [*Lords*], it is expedient to authorise the payment of sums into the Consolidated Fund.—*[Mark Tami.]*

Question agreed to.

DELEGATED LEGISLATION

Mr. Deputy Speaker (Sir Alan Haselhurst): With the leave of the House, I will put motions 4, 5 and 6 together.

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Delegated Legislation Committees).

INTERNATIONAL DEVELOPMENT

That the draft International Development Association (Multilateral Debt Relief Initiative) (Amendment) Order 2008, which was laid before this House on 10th June, be approved.

That the draft International Development Association (Fifteenth Replenishment) Order 2008, which was laid before this House on 10th June, be approved.

That the draft African Development Fund (Multilateral Debt Relief Initiative) (Amendment) Order 2008, which was laid before this House on 10th June, be approved.—*[Mark Tami.]*

Question agreed to.

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Delegated Legislation Committees),

Representation of the People

That the draft European Parliament (Number of MEPs and Distribution between Electoral Regions) (United Kingdom and Gibraltar) Order 2008, which was laid before this House on 11th June, be approved.—*[Mark Tami.]*

Question agreed to.

Mr. Deputy Speaker: With the leave of the House, I will put motions and 8 and 9 together.

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Delegated Legislation Committees),

Terms and Conditions of Employment

That the draft European Parliament (Number of MEPs and Distribution between Electoral Regions) (United Kingdom and Gibraltar) Order 2008, which was laid before this House on 11th June, be approved.

Environmental Protection

That the draft National Minimum Wage Regulations 1999 (Amendment) Regulations 2008, which were laid before this House on 2nd June, be approved.—*[Mark Tami.]*

Question agreed to.

Motion made, and Question put forthwith, pursuant to Standing Order No. 18(1) (Consideration of draft deregulation orders),

Regulatory Reform

That the draft Legislative Reform (Consumer Credit) Order 2008, which was laid before this House on 17th June, be approved.

That the draft Legislative Reform (Local Authority Consent Requirements) (England and Wales) Order 2008, which was laid before this House on 26th June, be approved.—*[Mark Tami.]*

Question agreed to.

TRANSPORT

Motion made, and Question proposed,

That Mr Lee Scott be discharged from the Transport Committee and Mark Pritchard be added.—*[Rosemary McKenna, on behalf of the Committee of Selection.]*

9.4 pm

Mr. Philip Hollobone (Kettering) (Con): As a member of the Transport Committee, I did not want to let this moment pass without paying tribute to my hon. Friend the Member for Ilford, North (Mr. Scott) for his three years of service on the Committee. He has turned up on a regular basis and contributed throughout, and he will be much missed. However, his replacement, my hon. Friend the Member for The Wrekin (Mark Pritchard), will be a valuable addition to the membership of the Committee, and I am sure that all its members would like to welcome him in due course.

Mr. Deputy Speaker: I am sure that the hon. Member for Ilford, North will blush suitably.

Question put and agreed to.

WORK AND PENSIONS

Ordered,

That Mark Pritchard be discharged from the Work and Pensions Committee and John Howell be added.—*[Rosemary McKenna, on behalf of the Committee of Selection.]*

PETITIONS

HMRC Work Force Change

9.6 pm

Dan Rogerson (North Cornwall) (LD): I have the honour of presenting a petition on behalf of the people of the town of Launceston and the district of North Cornwall, who are concerned about the threat to the HMRC office in the town. The office employs between 50 and 60 members of staff who work on compliance—*[Interruption.]*

Mr. Deputy Speaker: Order. I am sorry to interrupt the hon. Gentleman, but could hon. Members who are not staying to hear the petition or the remaining business please leave quickly and quietly? It is unfair to the hon. Gentleman, who is trying to be heard.

Dan Rogerson: I am grateful, Mr. Deputy Speaker.

The officers work on compliance and processing of tax returns and do so very efficiently. In a small market town, the office is very significant in providing good-quality jobs. The protest in the town square that I attended and spoke at this morning included not only members of staff and representatives of their union but town councillors, district and county councillors and representatives from the chamber of commerce, who are concerned that those good-quality jobs could be lost from Launceston. I have already met the relevant Minister to raise these concerns but was keen to present this petition on behalf of the residents who have signed it.

The petition states:

The Petition of the Public and Commercial Services Union and others opposed to the closure of Launceston tax office

Declares that HMRC should reconsider its proposals to close its Launceston office which saves the country money by identifying fraud and ironing out errors. Further declares that Civil Service jobs in this location should be retained.

The Petitioners therefore request that the House of Commons urges HM Treasury to ensure that the Launceston tax office remains open.

And the Petitioners remain, etc.

[P000233]

Electric and Hybrid Cars

9.8 pm

Bob Spink (Castle Point) (UKIP): The vast majority of youngsters in Castle Point are decent, hard-working youngsters who worry about their studies and their future, and they care about the environment. Two such youngsters in my constituency have compiled a petition as part of a school project. I congratulate them, and all our other decent youngsters in Castle Point, on their initiative and work. The future certainly belongs to them.

The petition states:

[Bob Spink]

The Petition of Andreas Sowa and Sam Lumley of year 9 Castle View school, Canvey Island, residents of Castle Point and others,

Declares that the use of gas-guzzling petrol and diesel vehicles is helping to damage our environment, and that society should switch to electric and hybrid cars since these are less polluting, cause fewer accidents, with less serious consequences of those accidents because of the generally lower speeds of these cars, might encourage people to walk more, therefore reducing the amount of obesity and are more sustainable, since oil is a depleting asset.

The Petitioners therefore request that the House of Commons urges the Government to adopt policies to promote the development, production and use of electric and hybrid cars in order to help to protect our environment and for connected matters, particularly given the importance of this issue to the wider community.

And the Petitioners remain, etc.

[P000236]

Planning and Development (Essex)

9.9 pm

Bob Spink: This petition highlights the systematic and inappropriate overdevelopment of Castle Point, which I have raised in this House many times, and it concerns residents and myself very much. I congratulate Brian Keeler and Mr. and Mrs. Patel on organising this petition, and I congratulate all who signed it.

The petition states:

The Petition of Brian Keeler, Mr. and Mrs. Patel, the residents of Castle Point and others,

Declares that they object to the proposed development of the area between Nos. 3 to 7 The Close, Benfleet, to construct a building providing two two-bed flats in a two-storey development, which being on a pedestrian pathway only, has no parking spaces, no refuse collection facilities, no access for the development, in either removing spoil or, delivering materials for the building, as these would have to be craned into the site, either from the High street, over existing properties, or by once again utilising the local School lane car park for builders vehicles and mobile crane, once again putting unacceptable pressure on alternative local public parking facilities, which are increasingly inadequate, and that this development would further spoil the conservation area and create unacceptable stress on the existing infrastructure, including roads, schools, rail, doctors, dentists etc.

Further declares that they urge Councillors to reject this development for these and for many other valid planning reasons, and to ensure that this application is decided by Councillors rather than unelected unaccountable officers, given the importance to the wider community of protecting their unique conservation area.

The Petitioners therefore request that the House of Commons urges the Government to press Castle Point borough council, the three Boyce ward councillors and all mainland councillors in particular, to reject this planning application and to substantially protect the unique St Mary's conservation area.

And the Petitioners remain, etc.

[P000237]

McGurk's Bar Bombing

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Watts.]*

9.11 pm

Michael Connarty (Linlithgow and East Falkirk) (Lab): I have asked for this debate on behalf of only one person, who is a relative of the people killed in the McGurk's bar bombing on 4 December 1971—Mrs. Eileen Killin. I still refer to her as my aunt, and she is the sister of one of the people who was killed, Phillip Garry. She was Eileen Garry, and my grandmother is also a Garry. Others have contacted me, and I have had conversations with Patricia Irvine, who is still highly traumatised, all these years later. Her mother was killed, and she has written a number of open letters to one of the bombing team—a man who admitted that he was part of that team—asking him to explain why he did it, and to tell her who the other three men involved were and the name of the person who planted the bomb. That name has never been put into the public domain. It is only on behalf of Eileen Killin that I speak tonight.

I would like to put the facts on the record. At 8.45 pm on Saturday 4 December 1971, 15 people died as a result of a bomb explosion at McGurk's bar, 81 to 83 North Queen street, Belfast. I would like to write into the record the names of the innocent victims—people who had no connection with any paramilitary organisation—who were out for a quiet night with their wives or their friends. The people killed were: Francis Bradley, 62 years old; John Colton, 49 years old; James Francis Cromie, 13 years old; Phillip Garry, my uncle Philly, who was 73 years old; Kathleen Irvine, 54 years old, the mother of Patricia Irvine; Edward Laurence Kane, 29 years old; Thomas Kane, 48 years old; Edward Keenan, 69 years old; Sarah Keenan, 58 years old; Elizabeth Philomena McGurk, 46 years old, the wife of the publican who ran the Tramore bar, normally known as McGurk's bar; Maria McGurk, 14 years of age, the daughter of the McGurks; Thomas McLaughlin, 55 years old; David Milligan, 53 years old; James Patrick Smyth, 58 years old; and Robert Charles Spotswood, 35 years old. Some 16 other people were injured, some of whom carried their injuries to their death, including Mr. McGurk, who died at the end of 2007.

I would like to say a word about my uncle Philly. When I was a young lad, we had visits to my granny's and—people from an extended Irish family will know this—the families gathered together. My uncle Philly was a bit of a character. He was a seaman and would entertain all the kids. To me, it is no surprise to find that he was a school crossing patrolman. I can imagine that he was quite a character even then, at 73 years old. I was at university when I heard that he had been blown up by a bomb in Belfast, where the Garry family lived—some of our family had moved to the north and some had come over to work in the steel mills of Lanarkshire, including the husband of my grandmother, Michael Plunkett.

Uncle Philly was the kind of character who left a memory, as a happy-go-lucky kind of guy. But there he was, out for his pint on that night with his friends and people out with their family, when what we now know to have happened took place. An Ulster Volunteer Force team, of which Robert Campbell was a member, was sent from a pub in west Belfast with the orders to blow up not McGurk's bar—that is the point—but the Gem bar in the same street. The Gem bar was an IRA pub and was known as one—it was where members of the IRA gathered. When the members of that UVF team got there, they were cowards. They did not try to plant the bomb in a pub that was run by the IRA, so they went to the nearest Catholic pub and bombed innocent people out for a quiet drink.

I see my hon. Friend the Member for Morecambe and Lunesdale (Geraldine Smith), who used to live in the area. She knew the pub and, she has told me, knew the family.

Geraldine Smith (Morecambe and Lunesdale) (Lab): It really is a small world. When I was very young I went to the local school, St. Patrick's, and knew my hon. Friend's uncle Philly, the school patrolman who used to lead me across the road. My father knew him too, because they used to go to sea together before my hon. Friend's uncle was a patrolman. The McGurks were a very decent and religious family, and everyone was filled with great sadness when that explosion happened.

Michael Connarty: That was the point—McGurk's bar was not a pub that was involved in the troubles. The bombing happened in '71. The troubles were bubbling up and there had been a few bombings in the Province, but the attack saw the largest loss of life in one bombing at that time.

As far as I am concerned, the perpetrators—Robert Campbell and his friends, the UVF hit men—were cowards. They did not try to bomb the pub that they were sent to, but, according to the evidence that he gave after his trial, they were told, "Don't come back until the job is done." The job was never done. The members of that team never bombed the Gem bar. They bombed a pub full of innocent people, putting the bomb inside a porch, which, as it happens, blew the walls out and roof off, killing the two children playing upstairs and 13 people in the public bar downstairs.

Let me turn to the role of the Army. I am not involved with any side in this business—accusations of collusion have flown around, given the fact that no Army patrols were around, and people have asked how that car got to that location in that area without being stopped, and so on. The car was never found when it was abandoned, which is interesting. However, I do not care about that. What I care about is the documents in the report, including the situation reports, which were secret until 30 years thereafter. The Pat Finucane centre submitted those reports, having found them, to the historical inquiries team. It is clear from the reports that there was a travesty involving the Army, which said in the report that the bomb was clearly inside the pub, because five men standing around it were blown to smithereens. The Army said that the bombing was clearly an IRA own goal—it said that the bomb was, in effect, in the pub in transit. That was then. The historical inquiries team report says that it was recommended that the Secretary of State answer a question in the House confirming that story.

That was never done, but, sadly, a former Member of the House, now Lord Kilclooney, said on television and in Stormont that the bomb was an IRA bomb. He said that there was no question that the bombing was a Protestant paramilitary operation. After that, a terrible, scurrilous article appeared in *The Guardian*, which had clearly been briefed by the Army, confirming the account in the situation report—a secret document that was never referred to as the source—and repeating the calumny that those innocent people out for a drink were an IRA team. In fact, the people who claimed responsibility—the Empire Loyalists who phoned up—said that they bombed the bar because IRA commanders and units met there, but they knew that to be a lie. Did their operating commander think that they had bombed the Gem bar, courageous soldiers that they were in the fight against the IRA? That possibly is true, because the report was that the pub that was bombed was an IRA hotbed, when it was in fact an innocent place where ordinary people gathered for a quiet night out.

That calumny ran as the founded story in Ireland until 1977, when Robert Campbell was arrested. I must criticise the historical inquiry's report for saying that he was arrested for bombing McGurk's bar as a result of intelligence, because he was not—he was arrested because he shot a Protestant. He thought that he was going to shoot a Catholic, but he shot a Protestant; the Catholic men in the van he was targeting, who worked in a quarry, escaped. He was arrested because his own people shopped him for killing one of their own. He then asked for McGurk's bar to be taken into account and he admitted his role, saying that what he had done had troubled him ever since. He was a young man at the time of the bombing, but when they arrested him he was a platoon commander in the UVF and had no doubt carried out a number of other crimes in between. He got 20 years, of which he served 16.

Andrew Mackinlay (Thurrock) (Lab): Will my hon. Friend give way?

Michael Connarty: No, I will not.

For six years, the approach taken in all the police reports—this is clear from the historical inquiry team's report of the police reports—was to keep trying to turn the evidence to suggest that the Army report was correct. The reports said things such as that the forensics showed there was no doubt that the bomb had been inside the pub. The forensic evidence did not come out until February, but Dr. Hall, who produced it, said that there was no doubt that the bomb had been placed outside the door or adjacent to it—not in the pub at all. However, the police reports still spread the same story, and every single inquiry in the report shows that the police tried to pin the bombing on the people in the bar to show that they had killed themselves and their fellow citizens from the community. That is unforgivable.

Another criticism that I have of the historical inquiry's report is that page 9, which discusses the killing of an Army major following the bombing, should not have been included, because it is not relevant. It is as if people are still trying to do the same thing—to say that these innocent people were somehow caught up in what happened afterwards, but they had nothing do with it. My uncle Philly and his colleagues and friends had nothing to do with the IRA and other such organisations. If it was not for the Pat Finucane centre, I am not sure whether the historical inquiry's team would ever have seen the secret documents that are now in the public domain and in its report.

[Michael Connarty]

Why am I raising this issue? My aunt Eileen does not want to see the report, which is why I have it. I am the named person because I have raised a question in the House. She does not want to see the report or to remember what happened; she is very old and does not want the trauma of it all, but she does want the peace of mind that goes with knowing that the House recognises that the things that we did as a nation—the way in which we spread malicious gossip about the people who were killed and tried to make it stick—were wrong.

I do not know whether there can be reconciliation for people such as Patricia Irvine, who wants to know who the man was who got out of the car and placed the bomb. It was not Robert Campbell, but another man who was sitting outside the bar in the back seat. I know that the McLaughlin family are very upset and still accuse people of collusion, and I do not know whether they will ever have reconciliation. However, I am looking for peace and reconciliation.

Mr. Campbell refuses to be interviewed or to give any evidence and says that he wants the right to see his life out in peace and quiet now that he is in his 70s. I do not believe that that man should have that right; he was a coward and he was part of a cowardly team that killed innocent people. He is living here in England, and it behoves him to tell the families who planted the bomb and who his accomplices were. I do not think that he has paid his debt to society.

The Secretary of State is here and he said in answer to a question that I asked on 25 June that he personally was sorry for the things that had happened and for the distortions of the truth, but I want slightly more than that. We are clearly talking about a Government-sponsored, defence-sponsored method of operation, and books have been written about it. To suggest that these innocent people did this to themselves, their colleagues, their friends and their families is unforgivable, and the Government must be prepared to apologise publicly. I am disappointed that the Secretary of State for Northern Ireland is not replying to this debate. He may have the weight to be able to do what needs to be done. If he does not, I will be coming back to ask someone else further up the tree for an apology on behalf of the people who were killed at McGurk's bar.

9.24 pm

The Minister of State, Northern Ireland Office (Paul Goggins): I congratulate my hon. Friend the Member for Linlithgow and East Falkirk (Michael Connarty) on his success in obtaining this debate. It is an important topic for him not only because of the wider public interest but also, as he explained, because a member of his family—Phillip Garry, about whom he has spoken so affectionately—was killed in the indiscriminate and callous bombing of McGurk's bar in 1971, so I want to express at the outset my deepest sympathy to my hon. Friend and members of his wider family circle. I am also conscious that 14 other people—including a 13-year-old child, James Francis Cromie—were killed and 16 were injured. Thirty seven years on, the pain remains real for their families and friends, too. My hon. Friend spoke about the trauma that people still feel. This bombing was, until the terrible bombing in Omagh in August 1998, the largest civilian loss of life in a single incident during the years of the troubles.

We are discussing tonight one of 363 reports produced so far by Northern Ireland's Historical Enquiries Team. Established in 2005, the HET is part of the Police Service of Northern Ireland, but it is operationally independent and staffed by a mix of people, including former detectives from outside Northern Ireland. Just last week, in its latest report, the Northern Ireland Affairs Committee expressed themselves

> "impressed by the personal commitment, sensitivity and professionalism of the Chief Constable, the Director of HET and the other staff involved in HET".

The HET is tasked with reviewing all 3,268 deaths that occurred as a result of the troubles between 1968 and 1998, with the twofold aim of striving to bring a measure of resolution to families and ensuring that all investigative and evidential opportunities are subject to thorough and exhaustive examination. Its approach is family centred and in its review of the McGurk's bar bombing, the HET has attempted to answer more than 50 questions from family members. To carry out this work effectively, the HET has developed a five-phase process that includes the collection, assessment and review of all relevant and available material followed by focused reinvestigation and resolution. In this review as in others, the HET accessed witness statements, forensic reports, the original police case papers and intelligence information.

Every one of the deaths that occurred during the troubles is a tragedy, but each case is also unique and families will have different views and perspectives and different questions and issues of concern. Following the McGurk's bar bombing, the hurt and grief felt by all those directly affected and, indeed, by the wider community was intensified by the inaccurate commentary and reporting that it was the result of a so-called IRA "own goal".

In summary, the HET reached the following conclusions. The bomb was located inside McGurk's bar within a small, enclosed entrance area off Great George's street, but outside the public bar area where the victims and survivors were mainly located. The original target, as my hon. Friend mentioned, was probably the Gem bar rather than McGurk's.

The Ulster Volunteer Force was responsible for the bombing and in 1978 Robert James Campbell pleaded guilty to 15 counts of murder and was given a life sentence. The HET found no evidence of collusion by the police or security services with the UVF and confirmed that the Royal Ulster Constabulary allocated substantial resources to the original investigation in 1971. Its assessment, however, was that those carrying out the investigation may have attributed more significance to the potential involvement of republican paramilitaries than the balance of evidence supported.

The HET's report also documents in some detail the media reports of the bombing. It includes the transcript of an interview with an eight-year-old boy, Joseph McClory, who gave a very clear account of how he saw a man place the bomb in the porch of the pub. Even so, there was speculation that one or more of those inside the pub might have been responsible. As my hon. Friend said, the HET report includes a copy of a Ministry of Defence document stating—this is a direct quotation from the document—

> "the forensic evidence now available shows quite clearly that five of the victims were killed by blast—indicating that the explosion must have been inside the bar, and raising a very strong presumption that it was caused by the accidental detonation of a bomb being carried by one of the customers—as has seemed likely all along".

On 7 December—the Tuesday following the explosions—speaking in a debate at Stormont, the then Minister of State for Home Affairs, John Taylor, now Lord Kilclooney, said

> "the evidence of the forensic experts supports the theory that the explosion took place within the confines of the walls of the building."

He said that the Provisional IRA

> "is in retreat and nothing could aid it better at this time if it could inflame Catholic opinion as a result of what occurred at the weekend."

He called on Roman Catholics

> "to think twice before they accept the type of propaganda that is being fed to them about this incident."

When it came in February 1972, the conclusion of the forensic scientist Dr. Robert Alan Hall was rather different. He concluded that the combined findings, including the pathology reports, did not support the theory that a bomb had exploded close to a group of people within the confines of the bar area, and that the explosion had in fact

> "occurred at or about the entrance door from the porch leading off Great George's Street".

His conclusion supported the evidence of eight-year-old Joseph McClory rather than that of the Minister.

Although we cannot speak for the Ministers who made statements at the time, my right hon. Friend the Secretary of State and I are deeply sorry not just for the appalling suffering and loss of life that occurred at McGurk's bar, but for the extraordinary additional pain caused to both the immediate families and the wider community by the erroneous suggestions made in the immediate aftermath of the explosion about who was responsible. Such perceptions and preconceived ideas should never have been allowed to cloud the actual evidence. My right hon. Friend said at the weekend that

> "one of the things politicians have to get much better at is actually taking on their responsibility and saying, I'm sorry".

I hope that that offers some consolation to my hon. Friend and the others who have asked for an apology.

I can tell my hon. Friend—in addition to what I have said about the work of the HET—that the police ombudsman carries responsibility for investigations when a death has been caused by the actions of a police officer, or when there is information that suggests that a police officer may have acted wrongly. Such cases are referred by the HET, and currently total 64. The police ombudsman also investigates cases in which a family, or a representative of a family, makes a complaint about the handling of a case by the police. The ombudsman is currently investigating 57 such cases, and I am aware that one relates directly to the McGurk's bar bombing. Although the ombudsman's work and reports are completely independent of the Government, I am informed that a report is expected shortly.

Northern Ireland has moved a long way since the dark days of the troubles. The UVF, which was responsible for the McGurk's pub bombing, has put its arms beyond reach—on the way, I hope, to full decommissioning. As the Independent Monitoring Commission has indicated, the Provisional IRA is now firmly committed to the political path, and Sinn Fein is an active partner in policing and in Government. Devolution last May put schools, hospitals and other public services under local control, and I hope that it will soon be possible to hand back policing and justice powers. This week's announcement by Bombardier about its new investment is a further sign of Northern Ireland's growing prosperity, building on long-term political stability.

However, the murders and conflict that scarred Northern Ireland for 40 years still leave their mark, which is why the work of the Consultative Group on the Past is so important. Trying to find a way of addressing the legacy of Northern Ireland's violent past in a way that does not overshadow the future remains one of the greatest challenges. The group's task is to consult widely to see if there is a consensus on how to proceed. Over the past year the group has met with more than 100 organisations, received 245 written submissions and held seven well-attended public meetings. During this process, it heard a wide range of opinions and experiences about the past and what it means for the present. The consultation period closed in January and the group is now reflecting on what it has heard. As part of its reflections, the group has considered the various mechanisms that are currently in place to deal with the past such as the Police Ombudsman, the public inquiries and the work of the HET. Indeed, during this consultation the group met the HET and some of the many families who have been through the HET process. The thoughts that these families have on this process, and all the other mechanisms in place, will be considered in its final report. My right hon. Friend the Secretary of State and I are looking forward to receiving that report later in the year. While it is too soon to speculate on what the recommendations will be or how they can best be taken forward, it is important that any recommendations made are workable and capable of commanding widespread public support.

Lord Eames and Denis Bradley—the group's co-chairs—delivered a speech at the end of May reflecting on some of the many issues raised during their consultation. It is helpful that they recognised publicly the differing views that exist, and that a public debate takes place on some of these very difficult issues.

In addition to the work of the Consultative Group on the Past, the Northern Ireland Affairs Committee published a helpful report only last week. It contains a number of recommendations on dealing with the past, although it also acknowledges the importance of awaiting the report of the Consultative Group on the Past before making definitive decisions.

Mark Durkan (Foyle) (SDLP): I thank my hon. Friend the Minister for giving way, and I fully realise why he is addressing some of the wider issues to do with the past, in terms of the broader work of the HET and the Consultative Group on the Past. Returning to the particulars of this debate and McGurk's bar, however, there is a widespread welcome for the spirit of apology offered by the Secretary of State, but he cannot apologise for everybody else. Does the Minister agree that it would be helpful if the Minister who made the offending and grossly misleading statement in the Stormont Parliament came forward and directly apologised, and will he also

[Mark Durkan]

take steps to ensure that the apology that has come from the Government comes directly from the Ministry of Defence as well, because the Army was clearly involved in spreading this disinformation not only through a Minister at the time, but more generally through the media?

Paul Goggins: I hope that my hon. Friend appreciates that this evening I speak on behalf not only of my right hon. Friend the Secretary of State and myself, but of the Government as a whole. As for what others should say or do, that is for them. I cannot speak for them, and neither can my right hon. Friend. I can only say what I see and report what I have read, and that is on the record. We have made our position completely clear.

The bombing of McGurk's bar was an horrific attack, one of too many that occurred in Northern Ireland during the troubles. The core task of the HET is to help those families most directly affected by such tragic events to receive an explanation and have their questions answered. I hope that my hon. Friend the Member for Linlithgow and East Falkirk and all the families caught up in this case have been able to take some comfort from the extensive review that has been carried out and the firm conclusions reached.

Question put and agreed to.

Adjourned accordingly at twenty-one minutes to Ten o'clock.

House of Commons

Tuesday 15 July 2008

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

JUSTICE

The Secretary of State was asked—

Court House (Colchester)

1. **Bob Russell** (Colchester) (LD): When he expects work to start on building a new court house at Colchester. [218558]

The Parliamentary Under-Secretary of State for Justice (Maria Eagle): Subject to the procurement process and subsequent statutory approvals or planning consents, I anticipate that building works will commence in autumn 2009.

Bob Russell: The saga of the delays associated with the new court house in Colchester has now lasted for more than 10 years—equivalent to the combined duration of two world wars. If that is not Government dithering and incompetence on a grand scale, what description would the Minister give?

Maria Eagle: I would have thought that the hon. Gentleman might say thank you for the fact that he is about to get a £16.5 million new court house. I am sure that he would not expect Her Majesty's Courts Service to proceed to procurement phases of building new court rooms without having satisfied itself and others that it is good value for money. He will be aware that when Her Majesty's Courts Service was formed in 2004, it inherited many plans from local magistrates courts committees to build courts—far more than could be built. He should be saying thank you to the Government for the fact that his court house is No. 9 on a very long list.

Pleural Plaques

3. **Mr. Stephen Hepburn** (Jarrow) (Lab): What the time scale is for the forthcoming consultation on compensation for people with pleural plaques. [218560]

The Parliamentary Under-Secretary of State for Justice (Bridget Prentice): The consultation paper on pleural plaques was published on 9 July and the closing date is 11 October. I welcome responses from hon. Members and from all those with an interest in this important issue. We will then aim to publish our response to the consultation in November.

Mr. Hepburn: I thank the Minister for that reply. However, could I use this opportunity, just before the recess, to urge the Government to give a rapid, moral and firm response to the consultation so that pleural plaques victims get the justice that they deserve?

Bridget Prentice: I appreciate what my hon. Friend says. Like him, we are concerned about the anxiety experienced by people who have been exposed to dangerous substances such as asbestos. As I said, we will aim to publish our response within a month of receiving responses to the consultation.

Homicide

4. **Ian Lucas** (Wrexham) (Lab): What progress has been made on the review of the law of homicide; and if he will make a statement. [218561]

The Parliamentary Under-Secretary of State for Justice (Maria Eagle): Since December, we have been considering recommendations made by the Law Commission in its report, "Murder, Manslaughter and Infanticide", and discussing them with stakeholders. That has included having seminars for Members of both Houses of Parliament. I will publish proposals for wider consultation shortly, with draft clauses attached, with a view to introducing legislation in the next Session. However, we intend to keep the mandatory life sentence for murder, as was made clear in the terms of reference at the outset.

Ian Lucas: I am grateful to my hon. Friend for that reply, although I am disappointed that in the face of so much opinion about the mandatory life sentence, the Government will not look at that very important issue. Does she not agree that at this stage, 40 years after the abolition of the death penalty, it is time for us to think about whether the term of the mandatory life sentence could be looked at again so that more flexibility could be introduced into the system?

Maria Eagle: I understand my hon. Friend's concern, which is shared by many. However, murder is a unique crime of particular moral and social significance, and the mandatory life sentence reflects society's abhorrence of it. Within the mandatory life sentence, of course, each individual case is given a tariff by the judge, who is in the best position to know the circumstances of the case. That gives the kind of flexibility that my hon. Friend suggests is sensible in certain instances.

Drugs (Prisons)

5. **Chris Mole** (Ipswich) (Lab): What steps he is taking to reduce the availability of drugs in prisons; and if he will make a statement.[1] [218562]

The Secretary of State for Justice and Lord Chancellor (Mr. Jack Straw): Since 1997, we have increased investment in drug treatment in prisons tenfold and greatly strengthened enforcement. One indication of the latter is that positive results in mandatory random drug tests have improved from 24 per cent. testing positive 10 or 11 years ago to 9 per cent. There are now 141 intensive drug treatment programmes in 99 prisons. Last week, I published the report of a former chief constable of West Mercia, David Blakey, on what more we had to do. I accepted all 10 of his recommendations. I announced then that we would upgrade our work on corruption and that we would be introducing body orifice security scanner chairs and hand-held mobile telephone blockers into every prison.

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[1] *[Official Report, 22 July 2008, Vol. 479, c. 6MC.]*

Chris Mole: I thank my right hon. Friend for that answer. When I visited HMP Norwich a few years back, it was clear that drugs were coming over the walls inside tennis balls or dead pigeons, and horrifyingly, were being brought in even in the mouths of infants. Given the ingenuity of the suppliers, does my right hon. Friend agree that it is important to continue mandatory testing in prisons, and to extend orifice scanning and the use of the other tools to which he referred to visitors to prisons as well?

Mr. Straw: Yes is the answer. As my hon. Friend indicates, prisoners are adept at using every means that they can to ensure that drugs get into prisons, sometimes by means that are grotesque to imagine, but which take place. That is why, alongside the maintenance of mandatory drug testing, which, three years ago, was found by the Office for National Statistics to be "robust"—in its words, not mine—I asked David Blakey to conduct a review. His report, with its 10 recommendations, is about how we build on the strengths of the current system for preventing drugs from coming into prison, to enhance and improve it.

Mr. Andrew Mackay (Bracknell) (Con): As one in five men reporting drug use admit that they started taking drugs in prison, we still clearly have a real problem. Would the Secretary of State consider stating that no prisoners should be released early from their sentence unless they are clear of drugs? Would that not be a great incentive?

Mr. Straw: Whether that figure is correct or not—self-reporting of levels of drug abuse, particularly by prisoners, tends to be rather imaginative to say the least—there is no doubt that we have a drug problem in prisons, which I do not underestimate. In the past 11 years, we have sought to strengthen the means of enforcement and greatly to improve treatment. I will certainly think about whether the sort of incentive—such as it would be—that the right hon. Gentleman mentions would work. In respect of indeterminate sentence prisoners and others who have to apply for parole, their behaviour in prison, and their readiness to undertake treatment programmes and comply with them, is one consideration in the determination of their release.

Anne Main (St. Albans) (Con): In March 2007, I was told that 24,000 prisoners would receive treatment via the integrated drug treatment system programme, and that £6 million would be invested in the psycho-social elements of the IDTS. Have both those targets been met?

Mr. Speaker: Order. If I may say, very gently, to the hon. Lady, I have told hon. Members before that I do not expect supplementary questions to be read out from a note.

Mr. Straw: If I may say to the hon. Lady through you, Mr. Speaker, I will write to her and place the answer in the Library, because I do not have those figures in my head as I speak. My apologies.

Mr. Graham Stuart (Beverley and Holderness) (Con): Does the Secretary of State agree that programmes to get people off drugs in prisons are undermined when so many people are still taking drugs alongside the prisoners involved in those programmes? He mentioned treatment, so does he think it acceptable that the chief inspector of prisons has said that prisoners on drugs

"could be transferred having barely completed detoxification"

because

"as population pressure increased, it was difficult to match prisoner need to programme provision."?

Surely that is an indictment of the actual delivery of programmes in prisons today.

Mr. Speaker: Order. Just to let Ministers know, the hon. Gentleman is reading out a quote from an individual, which is different.

Mr. Straw: We have got the level of enforcement up, and treatment as well, but none of us should be complacent about the continuing problem of drugs in prison because 55 per cent. of defendants who go to prison have a drug problem, and in some local prisons that figure is as high as 80 per cent. A great deal of our crime is drug related, so we continually have to strengthen enforcement and treatment, which is what we are doing.

As the hon. Gentleman said, there is churn in the prison estate because of pressure on numbers, which is something I regret. We have increased prison numbers by well over a third in the last 11 years, which is the fastest rate of increase since the war, and we continue to expand the prison population. Meanwhile, because we are tough on crime, the number of defendants who are, rightly, sent to prison continues to rise.

Mr. Edward Garnier (Harborough) (Con): In 2007, the last year for which information is available, the Ministry of Justice announced that 5,528 drug seizures took place in the prison estate in England and Wales. Of those, only 1,641 were reported to the police, and only 304 prosecutions were brought in respect of the possession of those illegal drugs. Does the Secretary of State agree that, if we are trying to reduce the dealing, consumption and existence of illegal drugs in the prison estate, it is simply not good enough if prosecutions are not brought for what is a crime outside and inside the prison estate?

Mr. Straw: I agree with the hon. and learned Gentleman that we need to be tough on the introduction of drugs into prisons because it is obviously an offence in prison as much it is outside. However, although we want police and prosecutors charging and prosecuting in all appropriate cases, he knows that there are other means whereby prisoners can be brought to justice through the use of independent adjudicators, which is often a swifter method of punishment because prisoners who are found guilty can have days added to their prison sentence more quickly. Although charging and prosecution can be considered in each case, there are clear sanctions, which I first tightened in 1999—I wish them to be tightened again—against visitors who abuse the regime.

Shoplifting

6. **Miss Anne McIntosh** (Vale of York) (Con): How many people were serving a custodial sentence for shoplifting in each of the last three years. [218563]

The Minister of State, Ministry of Justice (Mr. David Hanson): The number of persons sentenced and given immediate custody for shoplifting in each of the past three years for which we have statistics are: 2004—13,339; 2005—12,096, and 2006—11,166.

Miss McIntosh: Given the fact that fixed penalty notices are more likely than not to be issued as a sentence for someone prosecuted successfully for shoplifting, will the Minister support my ten-minute Bill, which is on the Order Paper for Tuesday, to replace fixed penalty notices with custodial sentences? It has the support of the Federation of Small Businesses and many other business organisations. Shoplifting damages businesses and retail companies throughout the country and we need the strongest possible penalties. Will the Government be tough on shoplifting and tough on the causes of shoplifting?

Mr. Hanson: We certainly will be tough on shoplifting and, indeed, the causes of shoplifting. The hon. Lady knows that in 1997, the last year in which a Conservative Government were in power, only 12 per cent. of people went to prison for shoplifting. Last year, under the Labour Government, 19 per cent. of people convicted went to prison for shoplifting.

Fixed penalty notices are important—the police have used them and welcomed them, and they have helped tackle many minor shoplifting crimes. I will certainly reflect on the hon. Lady's Bill, as she knows that the Government will, but I emphasise that the Government are committed to tackling shoplifting as a key issue in the prevention of crime.

Mr. Gregory Campbell (East Londonderry) (DUP): The Minister has alluded to the numbers prosecuted in each of the past three years. Has he any indication of the rise in organised criminal gangs involved in shoplifting? Is it not the case that we need to crack down on repeat offenders and organised criminal gangs, who not only break the law but drive up prices for all legitimate and law-abiding consumers?

Mr. Hanson: I agree with the hon. Gentleman that criminal gangs who get involved in shoplifting should be tackled. Shoplifting is a crime that has an impact on all members of society because when those goods leave the shop, ordinary law-abiding citizens pay the cost on their purchases. In the past three years, for example, the total number of shoplifting offences whose perpetrators have been brought to justice increased from 112,000 in 2004 to 142,362 in 2006. The Government have a major drive to bring people to justice for shoplifting, as the increase in custody and fixed penalty notices has shown.

Mr. Humfrey Malins (Woking) (Con): But is not the real problem that a huge percentage of our shoplifters are heroin addicts who steal the goods to sell them to get their next heroin shot? Rather than being pleased about sending too many people to prison, is there not an argument for increasing the provision of drugs courts and trying to ensure that those people, who are often victims as much as criminals, get the treatment that they need rather than the great expense of prison?

Mr. Hanson: The hon. Gentleman knows that I very much agree with that approach. As well as taking people who are persistent offenders into custody, which has been done, we also need to look at what we do about the alcohol and drug abuse that is driving people to that shoplifting. He will know that draft guidelines have been produced by the Sentencing Guidelines Council to look into how we can deal not only with potential custody but sentences that include community-based penalties to address drug and alcohol issues. The draft guidelines are open for consultation, and I hope that the hon. Gentleman responds. I suspect that his response may be slightly different from that of those on his Front Bench, but also that it will have great benefits.

Mrs. Eleanor Laing (Epping Forest) (Con): No, my hon. Friend's response is not different from ours on the Front Bench, because I entirely agree with what he said. If the Minister takes shoplifting seriously—it is not just shoplifting; it is theft, which is a very serious crime—why do the Government choose to leave that crime and other crimes against business out of the British crime survey? Shoplifting is not a victimless crime; it is a crime against business, and people who own businesses and work in businesses suffer from it. With shoplifting left out of the British crime survey, is it any wonder that people have no confidence in the Government's ability to enforce the law?

Mr. Hanson: The hon. Lady will recall that her Government established the British crime survey. We have widened its scope, although I am always happy to take representations about what should be included. The facts are these: more people are being brought to justice for shoplifting than ever before; a greater proportion of people are going into custody than under the previous Conservative Government; and we are trying to tackle some of the longer-term issues that the hon. Member for Woking (Mr. Malins) mentioned to do with drug and alcohol abuse, which is one of the key drivers of shoplifting crime. I do take shoplifting seriously. It is theft, and it is a loss that imposes a cost on the ordinary, decent taxpayer who shops in those shops and pays extra costs for goods because of the loss through leakages and theft. Shoplifting is something that we need to tackle, and I will happily look into the suggestions that she has made.

Court Fees (Child Protection)

7. **Mr. Julian Brazier** (Canterbury) (Con): What plans he has to consult local authorities on the effect of new court fees for child protection cases. [218564]

12. **Mr. Andrew Robathan** (Blaby) (Con): What plans he has to consult local authorities on the effect of new court fees for child protection cases. [218570]

The Parliamentary Under-Secretary of State for Justice (Bridget Prentice): My Department has made a full cash transfer to cover the costs to local authorities. However, we will be monitoring the overall impact of the recent reforms in this area, the better to understand how they are working. That will include monitoring the numbers of cases issued, the stages at which they are resolved and, consequently, the total value of fees payable.

Mr. Brazier: Does the Minister accept, however, that the sharp drop in care proceedings involving such vulnerable children is in part due to the twentyfold increase in fees, for which the funding is not ring-fenced? Her right hon. Friend, the then Minister, said that what was then the Adoption and Children Bill would

"help to cut harmful delays...through timetabling of court proceedings."—[*Official Report*, 20 May 2002; Vol. 386, c. 98.]

She is now the Home Secretary. What has that provision done, other than cause more delays and in some cases prevent the initiation of proceedings, for those very vulnerable children?

Bridget Prentice: First, I do not accept the hon. Gentleman's premise that the drop in the number of cases going through the courts is due to the fees. In fact, the drop in the number of cases going to court happened before the new fees were implemented, which happened only in May this year. We are looking to see what the reasons behind that are; one reason may be that people were gearing up for the publication of the public law outline, which encourages local authorities to use other means to look after and protect children, rather than taking them through the court system.

Mr. Robathan: Could the Minister confirm that the money granted to local authorities is not ring-fenced? If there is a drop in the number of court cases being brought forward, could she comment on the impact that that might be having on the accountability and transparency of the Children and Family Court Advisory and Support Service, which is an organisation raised with me the whole time by constituents who are very unhappy about its work?

Bridget Prentice: A total of £40 million is being given to local authorities this year, which will also be given to them next year and the following year. That money is the total allocated, should every case go right through the whole system to the end of court proceedings. In other words, that amount is more than I would expect the local authorities will need if they use other possibilities to deal with the children, rather than taking them through the courts. By monitoring the process, we will be able to see exactly how much money local authorities spend on it. I should also point out to the hon. Gentleman that local authorities take umbrage at the suggestion that they would not use the court system for financial reasons, when they see, rightly, that their statutory duty to protect the child is paramount.

Mr. David Kidney (Stafford) (Lab): Can my hon. Friend assure local authorities that in return for these massive increases they can expect fewer delays when the courts and CAFCASS start proceedings?

Bridget Prentice: Yes, they should be able to expect fewer delays. The whole point of the public law outline is to streamline the system and to encourage local authorities and other agencies to look at alternative ways of protecting the child before going to the courts. In that way, both CAFCASS and the courts should respond far more quickly in dealing with the vulnerable child—that, after all, is who the whole system is supposed to be there to protect.

Sir Nicholas Winterton (Macclesfield) (Con): Does the Minister feel that the new court fees might be prejudicial to the interests and rights of natural parents? She knows of my interest in that matter in protection cases, but does she feel that the natural parents, whose position is of huge importance, might be prejudiced by the new fees?

Bridget Prentice: No, I do not think that the position of the natural parent will be prejudiced by the new fees. The new fees are for local authorities; individual parents are, of course, protected financially in other ways. I accept the hon. Gentleman's point that it is important that parents are given a voice in the court system. I hope that the new public law outline will ensure that they are heard and that the wider family is also used and supported in the protection of young children.

Mr. Henry Bellingham (North-West Norfolk) (Con): We are talking about a staggering increase in court fees of 2,900 per cent. Is the Minister aware that in London, where a pilot study was carried out, there has been a 40 per cent. drop in the number of cases? In Kent, there has been an 80 per cent. drop. Does she therefore accept that councils' decisions to initiate child care cases are being influenced by these court fee increases? Is this not yet another example of gross incompetence on the part of Ministers, at a time when the physical abuse of children is on the up? Does the Minister agree that there really is a danger that abused children could suffer or even die because of these changes?

Bridget Prentice: I hope that the hon. Gentleman will come to reflect on his remarks and regret that he has put his question in such a way. We are talking about the most vulnerable children in our society and we should talk about them in a way that means that we will do our very best to ensure that they are properly protected. Inflammatory language does not help.

I have spoken to London local authorities and to the judiciary in Kent about the drop in cases, and they cannot give an absolutely concrete reason for that. One reason that London local authorities suggested was that they are putting far more effort and resources into supporting families in the community. Indeed, many of them are very proud of that and they are frankly outraged at the suggestion that they are leaving children in danger. They are making much more effort to avoid care proceedings altogether, which is one of the aims of the statutory guidelines. I hope that the hon. Gentleman will talk to some of those local authorities and to the judiciary to find out exactly what is being done to protect the vulnerable.

Coroners' System

8. **John Barrett** (Edinburgh, West) (LD): When he plans to bring forward legislation to reform the coroners' system. [218565]

The Parliamentary Under-Secretary of State for Justice (Bridget Prentice): As the hon. Gentleman will know, the coroners and death certification Bill was put into the draft legislative programme in May. I look forward to working with him and others to ensure that it makes its passage through Parliament in the new Session. In the meantime, I have put in place a number of measures that we can use without legislation to move some of these issues forward.

John Barrett: The families of Scottish constituents and Scottish soldiers who have died abroad must go through a complex procedure, particularly when fatal accident inquiries are involved. With the Cullen review now in progress, what discussions is the Minister having to ensure that the families of Scots who have died abroad are not subject to undue delays during what is a difficult time for them?

Bridget Prentice: The hon. Gentleman makes a very important point. I regret the fact that the families of Scottish military who have died abroad have to come to England in order to take part in inquests. While I understand that the Cullen review is going ahead in Scotland, I also hope that the Scottish Parliament will seriously consider making inquest procedure applicable in Scotland so that Scottish families will be able to use it. People may not necessarily be aware that there is no inquest procedure in Scotland, which I think is something to be regretted.

Mark Durkan (Foyle) (SDLP): May I thank the Minister for her reply? Given that the coroners Bill will be going forward only in the next Session, would the Government think better about pushing ahead with part 6 of the current Counter-Terrorism Bill, which could make sweeping provisions in respect of coroners' courts, giving Ministers the power to sack both coroners and jurors?

Bridget Prentice: I understand what my hon. Friend says, but may I say that it is for my colleagues in the Home Office to respond in detail to those issues. If he puts that question to them, I am sure that he will receive a reasonable response.

Mr. Peter Bone (Wellingborough) (Con): A few months ago, I had a harrowing meeting with the parents of someone who lost their life while in police custody. They were very unhappy with the coroners' system as they believed that the information provided before the coroner's hearing was very weak and that not all the relevant evidence had been provided. Before the Bill comes forward in the next Session, can anything be done to beef up the system so that interested parties can acquire more information before they attend the inquest?

Bridget Prentice: The hon. Gentleman makes an important point. The most important part of the coroners Bill is the principle of putting bereaved families at the heart of the system, which means ensuring that they get all the information they need beforehand. In some areas, support teams take the families through what the procedure will be; indeed, good coroners do that as a matter of course. We are publishing a draft charter for bereaved families, which is currently out to consultation, and it will include many of the issues raised by the hon. Gentleman. If he has any further specific questions, I would be more than happy to respond to them.

Mrs. Madeleine Moon (Bridgend) (Lab): The proposed Bill will give extended powers to coroners to carry out further investigations. Has my hon. Friend considered the usefulness of psychological autopsies, particularly where, as in my constituency, there have been clusters of suicides? They would help to provide a clearer picture of exactly what lay behind the problems so that we could target the relevant services to solve them.

Bridget Prentice: I know that my hon. Friend has taken a close interest in this issue, and we extend our condolences to the families of the young people involved in those recent tragedies in her constituency. My hon. Friend has raised the matter of psychological autopsies before and I have asked my officials to look further into it. If we can come up with a means to make this a useful part of the coroner's remit, I will come back to her with further information.

Private Sector Prisons

9. **David Taylor** (North-West Leicestershire) (Lab/Co-op): What recent representations he has received on standards of prisoner safety in private sector prisons. [218566]

The Minister of State, Ministry of Justice (Mr. David Hanson): Over the past year, I have received a number of submissions concerning the contracted estate.

David Taylor: One of our nation's 11 private finance initiative prisons is Global Solutions Ltd. Rye Hill in the east midlands, whose safety regime allowed Wayne Reid to be stabbed to death in his cell by three fellow inmates in 2005. How is the Minister tackling such unsafe and unstable establishments, floundering in perverse frameworks that impose 50 penalty points for weapon discovery—ensuring cursory searches—but a single point for self-harm or suicide, thus inverting normal, rational public service values? Aren't private prisons getting away with murder?

Mr. Hanson: I thank my hon. Friend for raising the issue. Wayne Reid did indeed die in his cell at HMP Rye Hill in April 2005 and two individuals were subsequently convicted of his murder. I regret the fact that Wayne died in those circumstances and I await a letter from the coroner who recently completed the inquest into the death. I expect the coroner to forward a letter outlining some issues for the Government to examine in detail. Together with the Under-Secretary of State for Justice, my hon. Friend the Member for Liverpool, Garston (Maria Eagle), I have taken a keen interest in the performance of GSL in Rye Hill over the past 12 months. We will continue to look at the performance of Rye Hill and GSL and see what lessons can be learned from the coroner's verdict on Wayne Reid's tragic and possibly avoidable death.

Tony Baldry (Banbury) (Con): Global Solutions also has a responsibility for immigration removal centres. Is the Minister satisfied that he has responsibility for prisons and that the Home Office has responsibility for immigration removal centres? Is not it the basic fact that if people are detained by the state, there should be an expectation on the part of all of us that there is a reasonable standard of care? We have had repeated fires at Campsfield House, which impact not only on the immigration removal centre, but on the whole community, its fear of crime and on the ability to police. There are all sorts of other consequences as well.

Mr. Hanson: The hon. Gentleman will know that the immigration removal centres are not my direct responsibility, but there is a common inspection regime across the estate. Obviously, I discuss a range of issues, including how we manage the centres and what support we can give, on a regular basis with my hon. Friend the Minister for Borders and Immigration, who is responsible for immigration removal centres. Indeed, the Prison Service and staff from the prison estate give support on training and back-up to people in the Border and Immigration Agency estate on a regular basis. However, I shall certainly reflect on the hon. Gentleman's points.

Employment (Prisoners)

10. **Ben Chapman** (Wirral, South) (Lab): What steps he is taking to assist prisoners in gaining employment on release [218568]

The Minister of State, Ministry of Justice (Mr. David Hanson): The Government have made the employment of offenders one of their key priorities. Our proposals for getting more offenders into employment are outlined in the document "Reducing Re-offending through Skills and Employment: Next Steps" published at the end of 2006 and in the prison policy update paper, published by my right hon. Friend the Secretary of State for Justice in January this year.

Ben Chapman: As far as I am concerned, once the sentence is served, the slate is clean. At what is the most vulnerable point of an ex-prisoner's life, will my hon. Friend assure me that all possible co-ordinated assistance is given to ex-prisoners seeking employment so that they turn towards work and away from reoffending?

Mr. Hanson: I am grateful to my hon. Friend for those comments. One of the key issues in helping to prevent people from reoffending is employment. One of the key drivers for that has to be engagement with employers outside prison, so that people can go through the gate in a positive way to employment on release.

There are some very positive schemes in my hon. Friend's area of Merseyside which deal with just that involvement. We have a number of initiatives in the north-west, including with the Northwest Regional Development Agency, which offers support officers in 10 prisons, helping to build a successful exit-to-work project, supported by private sector employers across Merseyside in particular. It is important that we have that through-the-gate activity, and we are looking strongly at how we can engage with employers, not just in the north-west, but elsewhere to develop that still further.

Sir Patrick Cormack (South Staffordshire) (Con): If we truly believe that the punishment is sending someone to prison and that the aim of prison is rehabilitation, then all the money spent on prisons is wasted if we do not have a comprehensive aftercare service. Many people who come out of prison are not looked after and have nowhere to go. As a consequence, many of them reoffend, some deliberately. This is a shocking state of affairs.

Mr. Hanson: I again accept those concerns, because we in government share them. We are currently looking, with fellow Ministers, at how we can help and support people to get access to proper and effective housing, to employment and to continuing drugs services, very often at the time that hon. Members have mentioned—when those people go through the gate outside into the community. It is important that prisons serve a rehabilitation function, and both my right hon. Friend the Secretary of State for Justice and I are concerned to ensure that they do that, particularly in relation to raising skills—employability skills and literacy and numeracy skills—in prison to help people to get employment when they return to the community, as the vast majority of prisoners will ultimately do.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): Will the Minister have a look at the scheme run by the National Grid? It has been going for a number of years and there are extremely low reoffending rates as a consequence. It involves a big company working with smaller supply companies. Will he look at its success, and the lessons that have been learned, to ensure that they are disseminated to other large companies?

Mr. Hanson: Indeed. My hon. Friend may not be aware that I visited Reading prison yesterday with my hon. Friend the Member for Reading, West (Martin Salter) and National Grid to discuss ways of bringing about integrated employment. National Grid, a private-sector company, is involving its suppliers and contractors in efforts to provide key employment, and is helping Reading prison—in this instance—to give prisoners incentives to meet training standards to a level that will enable them to be offered employment outside. We are continually looking at that model to establish whether we can build on or improve it, and yesterday, with Mary Harris, we spent a very productive afternoon at Reading prison.

John Bercow (Buckingham) (Con): Given that over 60 per cent. of the 11,000 people in our young offenders institutions suffer from speech, language and communication impairments that prevent them from gaining effective access to education and training courses, does the Minister agree that, following the publication of the youth crime action plan, it is vital for local commissioners to put together detailed, comprehensive and funded plans for the delivery of speech and language services to young offenders so that they have a better chance of obtaining sustainable jobs well into the future?

Mr. Hanson: I certainly agree, and I commend the work done by the hon. Gentleman for my colleagues in the Department for Children, Schools and Families on that very issue. He will know that the problems relating to literacy and numeracy are acute, particularly among young offenders. We must drive up literacy and numeracy levels—which are well below those that we would expect of people outside young offenders institutions—to enable young offenders both to gain opportunities for employment and to manage their day-to-day existence. Their chaotic lifestyles often result not just from difficult backgrounds, but from a lack of educational opportunity.

Mr. Jim Devine (Livingston) (Lab): Many discharged prisoners suffer from mental health problems. What form of rehabilitation and psychiatric support are we offering?

Mr. Hanson: My right hon. Friend the Secretary of State has commissioned my noble Friend Lord Bradley to examine mental health issues in prisons and young offenders institutions. We need to consider not only what should be done to improve services in prison, but which people are going to prison who might be better served elsewhere. I hope that Lord Bradley's report will help us to involve the national health service in England, Scotland and Wales, as well as other agencies, in providing aftercare and treatment for people with severe mental health problems while they are in the prison system. In many instances mental health problems lead to offending behaviour and, in tackling such behaviour, we should bear in mind that it is as much a mental health as a criminal justice problem.

Mr. Simon Burns (West Chelmsford) (Con): May I echo the point made by my hon. Friend the Member for Buckingham (John Bercow)? Does the Minister accept that, important as it is for more help to be provided in the education service for prisoners suffering from dyslexia, dyspraxia and other learning difficulties while they are in prison, it is also important to enhance and improve their opportunities to find employment when they leave? Will he ensure that the help that they receive in prison does not automatically stop the moment they leave and re-enter society?

Mr. Hanson: In the spirit of cross-party co-operation on these matters, I will agree with the hon. Gentleman. As he will recall, I visited Chelmsford prison with him last July, and also met a delegation from the prison with him earlier this year to discuss the issues that he has raised.

Continuity of care is extremely important. We must ensure that we do not simply throw people out of the door and allow them to fall back into behaviour that is damaging both for them and for the communities from which they have come. We need to establish a through-the-gate offender management service linking probation with prison, which is what we are trying to do through the merger of the Prison Service and the probation service in the overarching National Offender Management Service.

Clive Efford (Eltham) (Lab): Will my right hon. Friend consider providing more flexibility in the home curfew system when people are offered employment? A young constituent of mine has been prevented from being considered for home curfew because he is not due for release until next March. However, he has been offered a job, and his family are willing to support him. The provision of more flexibility would enable us to free up spaces in institutions while also giving people an opportunity to turn their lives around.

Mr. Hanson: I will happily look at the case that my hon. Friend mentions if he wants to draw it to my attention. It is important that we not only take risk into account, but that we look at how we deal with employment opportunities.

Court Reports

11. **Philip Davies** (Shipley) (Con): What recent representations he has received from local newspapers on the cost of court reports. [218569]

The Secretary of State for Justice and Lord Chancellor (Mr. Jack Straw): I have received a number of representations about charging for court reports from right hon. and hon. Members, from local newspapers in Yorkshire, Hertfordshire and Sunderland and from the Newspaper Society and the Society of Editors. In the light of those representations and having considered the matter carefully, I have decided that, subject to certain common-sense conditions, that information should be provided to newspapers for free. That reverses the policy that has stood since 1989.

Philip Davies: I am very grateful to the Lord Chancellor for that U-turn on those court charges. I understand why the Government were so keen to stop local readers of newspapers from accessing the information that court sentences are now so pathetically lenient. I hope that he will give a commitment to ensure not only that reports will be free from now on, but that they will stay free for ever.

Mr. Straw: It is a reversal of a policy that was implemented originally by the Conservative party, and I think that the hon. Gentleman's response comes into the category of slightly churlish. I commend to him the response of his colleague, the hon. Member for St. Albans (Anne Main). I was unaware of that policy, which I found unacceptable, until she raised it with me in oral questions at the end of April. I followed it up, I talked to her and decided that it was unacceptable. I have now announced that it has been changed.

Anne Snelgrove (South Swindon) (Lab): May I congratulate my right hon. Friend on that excellent decision? Local newspapers such as the *Swindon Advertiser* are the backbone of local democracy and it is important that we get those reports in our newspapers.

Mr. Straw: The *Swindon Advertiser* is a great newspaper. It is not quite as great as the *Lancashire Telegraph*, the world's most important newspaper. My hon. Friend, with approbation from the Minister of State, Ministry of Justice, my hon. Friend the Member for North Swindon (Mr. Wills), makes the important point that local and regional newspapers are the backbone of our democracy. It is important that we should do everything we can to support them.

Topical Questions

T1. [218548] **Mr. Nigel Evans** (Ribble Valley) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Justice and Lord Chancellor (Mr. Jack Straw): The Home Secretary, the Secretary of State for Children, Schools and Families and I have today published the youth crime action plan. That is a comprehensive response to youth crime, building on our reforms in the past 11 years. It spans tough enforcement, early prevention and support to keep young people out of trouble and to help young victims of crime.

Mr. Evans: That is topical, because I want to ask a question about that matter. The youth crime action plan refers to the fact that there will be more knife referral projects, which will mean visits to A and E departments in order to see the impact of knife wounds. On Sunday, when the Home Secretary was asked whether that meant visits to hospitals by offenders to see victims, she said, "It does." Yesterday, she reversed that position. Does the Home Secretary know the difference between her A and E and her elbow? As the position changes every day, what is the policy—

Mr. Speaker: Order. I reiterate that topical questions should be very snappy.

Mr. Straw: It is no good the hon. Gentleman making that criticism of my right hon. Friend the Home Secretary, which is quite uncalled for, when he cannot distinguish between the Home Secretary and the Justice Secretary. The distinction, I would have thought, is obvious. I sort of gathered that he was in favour of our youth crime action plan, which is good. As the hon. Gentleman knows, he and I share not only a police force that is rated top in the country, but most of a police division that does extremely well. There have already been examples, for example, in the Lewisham youth offending team area, where offenders are taken not to see the victims—the Home Secretary was never suggesting that—but to meet consultants and others who deal with the victims of violent crime.

T2. [218549] **Alun Michael** (Cardiff, South and Penarth) (Lab/Co-op): Given the current flurry of concern about incidents of violence, does my right hon. Friend agree that every accident and emergency unit in the country ought to learn from the success in Cardiff arising out of the work of Professor Jon Shepherd, a specialist in the accident and emergency unit? He analysed clinically how, where and why violent incidents took place and then worked with the local authority and the police to identify what had gone on, which has resulted in Cardiff becoming the safest city of its cohort, rather than one of the more dangerous. Will my right hon. Friend do what he can to get those principles applied everywhere in the country?

Mr. Speaker: Order. May I repeat my earlier message?

Mr. Straw: Yes, Mr. Speaker. Professor Jonathan Shepherd has done pioneering work, although let me also say that one violent crime—one knife crime—is one too many. He continues to publish important research looking at a large sample of admissions for violence to A and E departments over the last eight years. It shows a year-by-year reduction in the number of people being admitted as victims of crime to A and E departments across England and Wales.

Nick Herbert (Arundel and South Downs) (Con): It is not surprising that the Government have failed to deliver an oral statement on the youth crime action plan, as they were still cobbling it together yesterday. We have already had the respect action plan, the youth taskforce action plan, the crime reduction and drugs strategy action plan, the youth alcohol action plan, the violent crime action plan and the fighting violent crime together action plan. When will the Justice Secretary understand that people do not want more last-minute Government action plans, but that what they want is action?

Mr. Straw: That was snappy too, Mr. Speaker. What the public understand is that as a result of the action the Labour Government have taken over the past 11 years, we have become the first Government since the war to see a reduction in crime, rather than an increase. Every Conservative Government since the war presided over an increase in crime, and the last Administration saw a doubling in crime. We have seen a consistent reduction in crime including—according to entirely independent research by Cardiff university into A and E department admissions, and according to the British crime survey that the Conservatives established but that we have enhanced—very significant reductions in violent crime. None of us underestimate the current problem of knife crime in certain areas. That is why we have taken action, as the Home Secretary has done by producing the youth crime action plan, which builds on the shambles of the youth justice system—so-called—that we inherited in 1997.

Nick Herbert: That was 10 years ago.

Mr. Straw: Yes, it was 10 years ago, and the system was an utter shambles, which we have reformed and improved so that youth crime has come down. We have built on that, and we have also taken action in respect of knife crime in eight specific areas.

Nick Herbert: The Government's impact assessment on this plan is also published today. I have a copy with me. It asks what policy options have been considered. Option 1 is:

> "Do nothing to tackle youth crime".

Option 2 is:

> "Develop a comprehensive and co-ordinated…package of…options".

That is the preferred option, so perhaps that is a start. However, in the last week, three more young people have lost their lives in knife attacks. After a decade in office, all the Justice Secretary can offer is yet another apology and yet another crime plan of recycled announcements and lazy gimmicks. Will he confirm that the Government were still amending the youth crime action plan yesterday?

Mr. Speaker: Order. I am sorry, but although it is not for the Speaker to keep interrupting, let me say again that the facility of topical questions is for Back Benchers. Front Benchers are taking the opportunity to come in at this time, whereas before they did so during the tabled questions. There should not be speeches of this nature.

Mr. Straw: The plan has been printed. It was printed yesterday and, as far as I know, no amendments were made yesterday. Proofreading changes may have been made, but that is in the nature of these things.

The hon. Member for Arundel and South Downs (Nick Herbert) seems to be implying that should there ever be a Conservative Government, there will be no knife crime and no violent murders. May I say to him that that is a rash and immature pledge to make? I am deeply sorry about any crimes of violence, as I am about any crimes. What we are seeking to do—by strengthening the way in which the whole criminal justice system works and not least by strengthening the support we give to the police and those dealing with crimes against, and by, youngsters—is to ensure that there are many fewer examples of this kind of crime and that many more of those who perpetrate such crimes are brought to justice.

T6. [218553] **Kerry McCarthy** (Bristol, East) (Lab): I have received a letter from the Parole Board regarding my constituent, Ransford Stober, whose parole was revoked 15 months ago and who is still waiting for a Parole Board hearing. Does my right hon. Friend agree that such a delay is completely unacceptable, and can he tell me what he is doing to speed up the Parole Board's activities?

Mr. Straw: I am aware of delays, not least in cases such as the one that my hon. Friend raises. We are doing a great deal to speed up the system. I am afraid that a couple of years ago, and last year, the Parole Board received an unexpected number of applications relating to those on indeterminate sentences, but we are taking a lot of action, and I shall certainly talk to her about this particular case.

David Howarth (Cambridge) (LD): There are some good ideas in the youth crime action plan, including the extension of restorative justice and more early intervention, for which there is real evidence. Can the Justice Secretary confirm that none of the Scared Straight ideas trailed by the Home Secretary over the weekend come into the plan at all? That is a good idea, because such ideas do not work and they make things worse. Can he say what evidence there is to suggest that the ideas in the plan about making more public the punishment of youths will work to reduce reoffending?

Mr. Straw: What my right hon. Friend the Home Secretary was talking about—for example, paralleling what has already taken place in the Lewisham youth offending team, where the offender is confronted with the consequences of their offending—is at the heart of systems of restorative justice, which the hon. Gentleman, I and the whole House applaud. So, I do not understand the point—*[Interruption.]* They are not different. The whole plan, which builds on the reforms that we have been making to the youth justice system over the past 11 years, is designed, even more, to ensure that youth crime decreases and that more of the perpetrators are dealt with.

On publicity, my view is that, particularly for the older young offenders, there is a case for a greater public focus. I have seen such an approach working in the constituency of my hon. Friend the Member for Preston (Mr. Hendrick), for example. Publicity about youngsters aged 16 and 17 who have received antisocial behaviour orders has, as it should have, a salutary and deterrent effect.

T8. [218555] **Mary Creagh** (Wakefield) (Lab): In March, the Under-Secretary of State for Justice, my hon. Friend the Member for Lewisham, East (Bridget Prentice), announced that she would be rejecting the recommendations of a two-year study by the Law Commission to reform the law to offer protection for cohabiting couples, as has happened in Scotland. Given that there are 2 million cohabiting couples in England and Wales, and that, commonly, they believe the misconception—the fallacy—that there is such a thing as common law marriage, what protections does she offer mostly vulnerable women and their children on the breakdown of cohabiting relationships?

The Parliamentary Under-Secretary of State for Justice (Bridget Prentice): I have discussed this issue with my hon. Friend; we had a very useful discussion on it, when I explained to her that our decision was to wait to see how the Scottish system rolled out and what consequences there might be in England and Wales as a result of that. In the meantime, we are doing more work on ensuring that people are aware of their rights and obligations, whether or not they are cohabitees. We will continue to do that work, so that people understand the choices that they make.

T3. [218550] **Simon Hughes** (North Southwark and Bermondsey) (LD): Given that everybody agrees that, tragically, knife crime is now at the top of the concerns of all families with teenagers and young adults the length and breadth of the country, will the Justice Secretary tell us what the courts are doing now to maximise the chance of convicting the guilty and to ensure that the sentences passed are effective in preventing reoffending and in deterring others from picking up knives and taking them out with them?

Mr. Straw: The maximisation of conviction rates in the courts is a matter for the judicial process. If I may say so, the Liberal Democrats have not been hugely helpful in recent years in ensuring that—while we guarantee that the innocent are acquitted—we shift the balance against those who are plainly guilty but try to use technical means to avoid conviction. On the issue of sentences, the President of the Court of Appeal—now the Lord Chief Justice elect, Sir Igor Judge—has spelled out that tough and appropriate sentences will be given for knife crimes, even if the knife is not used.

T5. [218552] **Andrew George** (St. Ives) (LD): I am afraid that there is nothing snappy about the management of those who are known to be a threat to the most vulnerable in society, especially Gary Chester-Nash, about whom the Ministry produced a report recently. He was known to be a violent offender and a serious threat, especially to the most vulnerable, but on his release from prison he was able to travel 300 miles from the London area to my constituency, despite having a unique national antisocial behaviour order. There he murdered Jean Bowditch. Her widower, Mike Bowditch, remains angry at the fact that, despite many inquiries into the case, no one has been found to be responsible for the handling of this man, who was known to be a serious offender. Has the Minister anything to say that I can report back to my constituent to reassure him that the system is capable of managing such serious offenders?

The Parliamentary Under-Secretary of State for Justice (Maria Eagle): I begin by expressing our sympathy to the relatives of Mrs. Jean Bowditch for the loss that they suffered when she was murdered by Gary Chester-Nash. The hon. Gentleman raises important issues. The fact that we needed to ensure that we learned the lessons of this especially awful case meant that we had a full serious case review by the strategic management board of the London multi-agency public protection arrangements, and that we followed that up by asking the chief inspector of probation services to carry out a further full inspection to examine to what extent the recommendations made by the report had been implemented. As the hon. Gentleman will know, the chief inspector has just published his report, "On the Right Road", and it suggests that more remains to be done. He has made some recommendations and we will try to ensure that the further recommendations made by the chief inspector are all implemented.

In respect of the hon. Gentleman's constituent, it is impossible for any Member of Parliament to take away the hurt and pain caused by being the relative of a victim of a murder of this kind, but I am always happy to meet hon. Members about such issues and would be happy to do so in this case.

T9. [218556] **Jessica Morden** (Newport, East) (Lab): With the coroners Bill coming up, what discussions has the Ministry had about doing more to accommodate the needs of Muslim communities? Because of the need to bury the deceased as soon as possible, I often hear concerns from the Welsh Muslim community that the intervention of the coroner in non-suspicious deaths can be time-consuming and distressing. What more can be done about that?

Mr. Straw: I understand the concern that my hon. Friend has raised. It is a concern not only to members of the Muslim community, but to members of the Jewish community. In Greater Manchester, the coroners, led by the Bolton coroner, have developed a good local protocol that means that, in cases that are regarded as forensic, relatives can choose post mortem by MRI scanner, rather than by intrusive post-mortem methods. That ensures that the post mortem is much swifter and can be quickly followed by certification and burial. I am in discussions with the Under-Secretary of State for Justice, my hon. Friend the Member for Lewisham, East (Bridget Prentice), about how we can see that practice rolled out across the country.

Points of Order

3.34 pm

Mr. Michael Howard (Folkestone and Hythe) (Con): On a point of order, Mr. Speaker. Yesterday, you had occasion to reprimand the Home Secretary because she sought to make a statement at topical questions. You told her that if she wanted to make a statement, she should come to this House in the normal way. Today, the Government have published their youth crime strategy, and it is inconceivable that even this Government should publish a document to which they attach such importance without making an oral statement in the House. Have you had any indication of when we might expect such a statement? Will it be later today, tomorrow or Thursday, or is the Home Secretary so embarrassed by the fiascos of the past couple of days that she can no longer face the House?

Sir Patrick Cormack (South Staffordshire) (Con): Further to that point of order, Mr. Speaker. In view of what you have said on consecutive days, may I ask that you refer the whole question of topical questions to the Procedure Committee? The procedure is clearly not working as some would have hoped and is being abused by certain Ministers of the Crown. That is a very unsatisfactory situation.

Mr. Speaker: We are almost getting to the stage where the Chair is being drawn into the argument. Yesterday, I gently reminded the Home Secretary that she could have made a statement, but I go no further than that. From time to time, I have to tell Back Benchers not to make speeches, so it cuts both ways. I will say to the right hon. and learned Gentleman and to Sir Patrick that Ministers come to make statements to the House and the Speaker does not bring them to the House to make speeches or statements, other than when there is an urgent question. It is up to the Home Secretary or any other Minister of the Crown to decide when they want to come to make a statement.

Mr. Mark Harper (Forest of Dean) (Con): On a point of order, Mr. Speaker. I know the weight that you put on the accuracy of ministerial answers to the House. On 1 July, in answer to a question from the hon. Member for Stroud (Mr. Drew), the Minister for Local Government, who is in the Chamber this afternoon, said that the Department for Communities and Local Government had

> "made no estimate of the likely costs or savings that would be incurred if Gloucestershire was to become a unitary authority."—[*Official Report*, 1 July 2008; Vol. 478, c. 794W.]

Unfortunately, yesterday, his fellow Minister, the Under-Secretary of State for Communities and Local Government, the hon. Member for Gloucester (Mr. Dhanda), cast doubt on the accuracy of that answer in a radio interview. Has either Minister indicated to you an intention to come to the House and put on record which statement is accurate?

Mr. Speaker: That is not a point of order. I know where the Minister is sitting—I know him well, so the hon. Gentleman does not need to point. It is up to Ministers what replies they give. From time to time, Ministers might give diverse responses. That is up to them, but it is nothing to do with me and is not a matter for a point of order.

The Secretary of State for Justice and Lord Chancellor (Mr. Jack Straw): Further to the point of order about topical questions, Mr. Speaker. I shall not touch on the issue of oral statements, but will you confirm that when the Modernisation Committee reported to the House about topical questions, part of its recommendation—as I recall, although I might be wrong—was that Ministers should open topical questions with a short statement of 50 words or so? That is what Ministers have sought to do.

Mr. Speaker: I remember when the right hon. Gentleman, the Lord High Chancellor, as he is now, was Leader of the House and we used to have cosy talks in the Speaker's study. He was the person who told me of the great value of topical questions and sold me the idea, saying that it would give Back Benchers the opportunity to get in.

Andrew Mackinlay (Thurrock) (Lab): I'm happy with it, anyway.

Mr. Speaker: If Mr. Mackinlay, whose grandfather came from Springburn, is happy, that suits me. Yes, a Minister makes a statement in response to the first question—that is fine—but when several statements come up afterwards that is a concern for me. The regulars in the Chamber will note that I have run topical questions well over the time in order to get Back Benchers in, because I am not going to be unfair to Back Benchers. Here endeth the lesson.

Press Complaints Commission (Breaches of Code of Practice)

3.39 pm

Jim Sheridan (Paisley and Renfrewshire, North) (Lab): I beg to move,

> That leave be given to bring in a Bill to create offences in relation to breaches of the Press Complaints Commission's Code of Practice; and for connected purposes.

I should like to begin by thanking those hon. Members who kindly agreed to sponsor this Bill, and all those colleagues who have given me their support in the face of potential threats, or of the consequences of taking on and challenging the British press. I should also like to express my gratitude and thanks to Lord Soley, who in 1993 tried to bring in a similar Bill but who was unfortunately unsuccessful.

This Bill would introduce a statutory method for protecting the general public from inaccurate and, at times, inflammatory reports in the press and media. It is not intended, either by design or omission, to restrict or in any other way curtail the freedom of the press. However, a free press must balance commercial considerations with its responsibilities to individuals and to society as a whole.

The press are beholden to ensure that what is reported is accurate and can be substantiated if challenged. As it stands, a high proportion of people living in the UK have some difficulty in believing even the racing results printed by some of our newspapers. Indeed, a recent survey suggested that only 7 per cent. of the general public trust tabloid journalists.

I want to make a clear distinction between the tabloid press and those in the journalism profession, such as the late Charles Wheeler and, of course, our own Alan Johnston. At tremendous risk to themselves and their crews, they have worked bravely to report from some of the most troubled hotspots in the world and to bring events to our television screens. I contrast that with those who perch themselves in the Press Gallery here, and who indulge in cowardly character assassinations by day yet by night moonlight with the old boys' network of the BBC.

The Press Complaints Commission was established in 1991 by the newspaper industry to address increasing concerns that self-regulation of the press was failing adequately to protect the public, and indeed the industry itself. The PCC's prime function is to put things right when they go wrong during the editorial process, and it seeks to police a voluntary code of practice that was drawn up by members of the industry. Its board has 15 members: seven are senior editors and the other eight are lay members. The PCC operates under the slogan "Fast, Free and Fair", and its voluntary code states that the press must take all due care not to publish "inaccurate, misleading or distorted" information in text or in picture format. It also states that a

> "significant inaccuracy, misleading statement or distortion once recognised must be corrected, promptly and with due prominence".

If appropriate, an apology may also be published. The code continues by saying that the press, while free to be partisan, must be clear in their distinction between content, conjecture and fact. Finally, it also states that any publication must report fairly and in an accurate fashion

> "the outcome of an action for defamation to which it has been a party, unless an agreed settlement states otherwise, or an agreed statement is published."

That is the PCC's voluntary code as it stands at the moment. However, despite its adoption, the number of complaints to the PCC is increasing. As recently as 2003, the total was up by 39 per cent. at 3,649 complaints, more than half of which related to the accuracy of reports. Despite that alarming rise, and against the backdrop of an increasing lack of trust in tabloid newspaper journalism, the PCC wrote to me, in response to the Bill, to establish its view that no review of its practices was warranted. The National Union of Journalists and I disagree with the PCC's position on that matter.

The NUJ has for some time suggested that the PCC should be declared a public authority, to bring it within the scope of the Freedom of Information Act 2000. That would make for a more transparent system, in which the PCC's workings were opened up to public scrutiny. At present, cases brought before the PCC are dealt with in secret, and only the final judgment is made public. The NUJ also argues that the best way to ensure adherence to the PCC's code of practice is for journalists themselves to uphold it. However, many journalists are increasingly forced to violate the code as a result of commercial pressures, or pressure from editors, some of whom are members of the PCC.

The NUJ argues that if journalists had a contractual right to refuse to carry out assignments or tasks that required them to breach the code of practice, the result would be greater accuracy and less need for complaints. Such a "conscience clause" would perhaps be the biggest step towards a return to a fairer, free press. There have been suggestions from some quarters that if we made the press complaints procedure more accessible and effective, our newspapers would be full of nothing but apologies and retractions. That view is clearly absurd, as the only foreseeable reason why a paper would be full of corrections is that it had been full of inaccuracies in the first place. In addition, many countries such as Germany, Belgium, Norway, Sweden, Greece, Austria, Switzerland and France have just as robust, or even more stringent, systems to ensure that their citizens are afforded protection from inaccurate press reporting.

In the UK, the current voluntary code of practice leaves newspapers free to print what they like, irrespective of the personal consequences for those involved. In the majority of cases in which members of the general public are the victims of inaccurate reporting, they do not have the resources—financial or otherwise—to mount a legal challenge against those responsible. There is an increasing body of anecdotal evidence to suggest that in situations in which victims feel that they have a strong case, they are bought off with minimal out-of-court cash settlements, and with a small retraction buried in the depths of the newspaper. There are, of course, some high profile cases, such as that of the McCann family, whose lives have been made a misery, not simply because of their own actions, but because of subsequent unsubstantiated, and frankly outrageous, reports about their situation. In my view, the McCanns are due every penny of their successful claim.

However, what about the case of Mr. Murat, at one time the prime suspect in the Madeleine McCann case, who was cleared of any involvement, but whom the British media decided to convict, and whose life now lies in ruins? The principle of innocent until found guilty seems not to be held to by the tabloid newspapers, which choose to persecute people in the court of public opinion, although what they say has little or no basis in fact. There are many cases like Mr. Murat's, and that must give Members of the House, and the public, great cause for concern, as anyone at any time could fall prey to the vicious practices of the often unrepentant British press.

A recent newspaper report was a prime example of inaccuracy; it made statements to the effect that a group of Muslims had attacked a house in Windsor that they thought was being purchased by four members of the armed forces returning from a tour in Afghanistan. The report was made despite the fact that there was no evidence to suggest that the vandalism was caused by Muslims. The story even included a quote from the hon. Member for Shipley (Philip Davies). Subsequently, evidence emerged that indicated that the local Army barracks had received three anonymous telephone calls the previous week from local residents who objected to the presence of soldiers, fearing that they would lower property prices in the area.

As I made clear at the start of my comments, I do not wish to restrict the freedom of the press in the Bill. A free press is an essential tool in maintaining any forward-thinking democracy, and in avoiding—

Mr. Speaker: Order.

Question put and agreed to.

Bill ordered to be brought in by Jim Sheridan, Tony Lloyd, Ann Clwyd, Michael Connarty, David Taylor, Ian Lucas, Mr. Brian H. Donohoe, Mr. David Clelland, Mr. Mohammad Sarwar, Mr. Jim Devine, Mrs. Madeleine Moon, and Mr. Dai Havard.

Press Complaints Commission (Breaches of Code of Practice)

Jim Sheridan accordingly presented a Bill to create offences in relation to breaches of the Press Complaints Commission's Code of Practice; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 17 October, and to be printed [Bill 138].

Orders of the Day

National Insurance Contributions Bill

Lords amendments considered.

3.50 pm

Mr. Speaker: I have given careful consideration to the Lords amendments to the National Insurance Contributions Bill. I am satisfied that they would impose a charge on the public revenue which is not authorised by a resolution of this House. Therefore under paragraph 3 of Standing Order No. 78, the Lords amendments must be deemed to be disagreed to.

Mr. David Gauke (South-West Hertfordshire) (Con): I am grateful for your ruling, Mr. Speaker; it clarifies this particular matter. I wish to make one point about the Reasons Committee. To quote the Financial Secretary, the main purpose of the National Insurance Contributions Bill was to align the upper earnings limit of national insurance contributions with the starting point of the higher rate of income tax. Since the Bill went through the House of Commons, when we broadly debated the matters to which the Lords amendments relate, it has emerged that it is no longer the Government's stated intention to align national insurance contributions and income tax. Would it be appropriate for the Committee, in providing its reasons to the House of Lords, to give the reasons why the Government wish to proceed with the Bill, given that the stated policy intention no longer applies?

Ordered,

That a Committee appointed to draw up Reasons to be assigned to the Lords for disagreeing to their amendments Nos. 1 to 4; Jane Kennedy, Mr. Bob Blizzard, Mr. Jeremy Browne, Mr. David Gauke and David Wright to be members of the Committee; Jane Kennedy to be the Chairman of the Committee; Three to be the quorum of the Committee; Committee to withdraw immediately.—*[Mr. Khan.]*

HEALTH AND SOCIAL CARE BILL (PROGRAMME) (NO. 2)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A(7) (Programme motions),

That the following provisions shall apply to the Health and Social Care Bill for the purpose of supplementing the Order of 26th November 2007 (Health and Social Care Bill (Programme)):

Consideration of Lords Amendments

1. Proceedings on consideration of Lords Amendments shall (so far as not previously concluded) be brought to a conclusion three hours after their commencement at this day's sitting.

Subsequent stages

2. Any further Message from the Lords may be considered forthwith without any Question being put.

3. The proceedings on any further Message from the Lords shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement.—*[Mr. Khan.]*

Question agreed to.

Health and Social Care Bill

Lords amendments considered.

Clause 2

THE COMMISSION'S FUNCTIONS

Lords amendment: No. 1.

3.44 pm

The Minister of State, Department of Health (Mr. Ben Bradshaw): I beg to move, That this House agrees with the Lords in the said amendment.

Mr. Speaker: Does the Minister want to continue? He should be making his speech.

Mr. Bradshaw: I was expecting, Mr. Speaker, that after what I said you would say that it will be convenient to consider the other amendments, and I would then continue. However, I am happy to make my points on the first group of amendments now, if that would be in order.

Mr. Speaker: With this it will be convenient to consider Lords amendments Nos. 2 to 5, 24, 25 and 66.

Mr. Bradshaw: Thank you, Mr. Speaker.

In my view, the scrutiny of the Bill in both Houses has been enormously constructive, helped by the fact that there was broad cross-party support for the principle of integration and a genuine commitment to getting the framework right. Increasing integration of, and collaboration between, health and social care are among the key drivers behind the regulation framework provided for in the Bill, and constitute a recurrent theme running through Government policy. We introduced this group of amendments to address some of the key concerns that were debated at length here and in the other place. They were put forward in discussion with the current commissions as well as with the National Consumer Council, the Picker Institute, and Which?, all of which have welcomed them.

Amendment No. 2 introduces a new main objective for the commission.

Mr. Simon Burns (West Chelmsford) (Con): On a point of order, Mr. Speaker. I seek your guidance. Given that the Minister is now making his second speech on this amendment, does he need the leave of the House to do so?

Mr. Speaker: The Minister needs to reply at the end of the debate.

Mr. Bradshaw: As I was saying, amendment No. 2 introduces a new main objective for the commission. We have been clear throughout that the commission's main priority should be the safety and quality of services, and I said early on that I thought that its key functions and responsibilities were already set out in what was clause 2. However, we recognise that many people thought that this was not expressed clearly enough. The amendment introduces a clear, succinct statement of purpose, which resists the temptation to stray into other territory and create for the commission additional broad functions that it would have been unclear how it was to deliver, or to include a long list of objectives that could duplicate the functions of other statutory bodies. Instead, it emphasises that the welfare of patients and people who use social services should be at the heart of everything that the commission does.

Amendment No. 3 amends the matters to which the commission must have regard and sets those out in a separate clause. We were initially cautious about creating too many general requirements in these areas that risked diluting the commission's priorities. However, we have been persuaded on two particular fronts to make changes that, through their careful construction, address key concerns about the regulator's focus on people who use services, but still preserve the right balance. Those are the reference to Local Involvement Networks — or LINks — which relates to amendment No. 72 in the next group, and the expansion of the responsibility to promote and protect people's rights.

Another key issue in both Houses has been the desire to secure patient and user engagement in the commission's work. We set out from the outset to create a body with a strong user focus, just as the existing bodies have. I have put on record my expectation that the commission will not only work closely with LINks but will find ways to engage with people who use services on a broader basis. Through Lords amendments Nos. 4, 24 and 25, we have responded to requests for this expectation to be set out explicitly in the Bill. Amendments Nos. 24 and 25 make it explicit that the commission must demonstrate to Parliament, as part of its annual reporting, how it is delivering against its statement on engagement.

Amendment No. 66 also responds to one of the key themes of the debates — the importance of ensuring that social care and the commission's responsibilities under the Mental Health Act 1983 are not neglected. We have given assurances in both Houses that that would not be the case, but various amendments were proposed to try to guarantee it by legislative means. In amendment No. 66 we have arrived at a solution that provides the reassurance that some people have been looking for without tying the commission's hands. It will include a broad requirement for the board to include members with expertise relating to all three areas covered by the existing bodies: social care, monitoring the use of powers under the 1983 Act, and health care.

We believe that the amendments improve on what was already in the Bill to make much clearer what is expected of the commission, without telling it how it should approach its task, and I commend them to the House.

4 pm

Mr. Stephen O'Brien (Eddisbury) (Con): I welcome this group of amendments, which delivers some of the changes that we were looking for, notably the inclusion of LINks — Local Involvement Networks — carers and service users, and proper representation for those with experience of health care, social care and functions under the Mental Health Act 1983. Unfortunately, it still fails to give the full independence needed for an effectively functioning regulator.

Amendment No. 1, which simply creates space for amendments Nos. 2 and 3, is uncontroversial. Amendment No. 2 inserts a new clause on the commission's objectives.

I welcome that new clause, brought forward by the Government, as it responds to Conservative amendments from the other place and this House. I pay tribute to those on the Conservative Front Bench in the other place, particularly my noble Friend Earl Howe, on winning so many concessions from the Government. Indeed, a large number of the substantive Government amendments before us today come as a direct result of amendments tabled by Conservative Front Benchers in Grand Committee.

Members of the Committee in this House will well remember that amendment No. 2 was originally tabled, in similar terms, by me, supported by my right hon. and hon. Friends and others from other Opposition parties and the Minister is now introducing it himself. In Committee in this House, the Minister said:

> "we believe that the essence and desires behind the new clause are already in the Bill"

and called attempts to lay out the objectives

> "flawed and unnecessary" [*Official Report, Health and Social Care Public Bill Committee,* 15 January 2008; c. 186.]

I hope that the Minister will take the opportunity to explain to the House why his colleagues in the other place disagreed, and whether he still considers such an amendment "flawed and unnecessary". Surely it would have saved much parliamentary time to have accepted the amendment in Committee in this place.

Mr. John Redwood (Wokingham) (Con): My hon. Friend is making an important point. Does he have any explanation for the flip-flop, or U-turn? Is this a rare occasion when a Minister has listened and realised that he was wrong?

Mr. O'Brien: The best I can say to my right hon. Friend is that I would like to think so. I recall saying at the outset of the Committee that as we were aiming for as much consensus as possible on health and social care—not areas that are normally given to the playing of the party political game—I hoped that the Minister would avoid being tribal or having pride of authorship in the Bill. It was clear to us during the course of the Committee that accepting any Opposition amendments would cause the Minister physically to wince, so he did not accept one. Now we are back, mainly to implement the Conservative amendments, conceded in another place, that we presented in Committee. In answer to my right hon. Friend, there is a genuine question about what the price of saving face, or the price of not thinking quickly enough on one's feet, is. As so much parliamentary time could have been saved had the amendments been accepted when they were first proposed, it is fair to ask precisely what has changed the Minister's mind in the interim.

There are indeed some questions about the new clause. A number of hon. Members, and their lordships, have expressed concerns about the picture of the Care Quality Commission painted by the report "Developing the NHS Performance Regime", recently published under the aegis of the NHS chief executive. Paragraph 150 states:

> "The main responsibilities of the CQC are to: register health and social care providers; carry out a periodic assessment of all NHS…patient pathways or into other areas of concern or risk in terms of patient safety; carry out investigations into specific organisations where CQC believes that user safety is seriously at risk; and gatekeeping and proportionate regulation."

The report continues:

> "However, the principal role of the CQC will be to register health and adult social care providers."

Paragraph 153 states:

> "The registration system will be a key function of the CQC. In operating this, the regulator will register, monitor compliance and take action in relation to healthcare providers' adherence to the registration scheme."

Furthermore, paragraph 100 states that

> "the CQC's approach to assessing the performance of NHS organisations includes their assessment of quality and of financial performance. Our expectation is that the CQC will continue to work closely with the Audit Commission on the latter".

However, what is the expectation for the former assessment of quality?

The document not only flies in the face of the amendment, which does not mention registration, but drives a massive wedge between the CQC's social care and health care responsibilities. The NHS chief executive wants the health care side to be divested of performance monitoring, but presumably such monitoring will be built into the social care side. The chief executive reveals his hand in paragraph 100, which says:

> "we cannot have the same organisation being identified as 'weak' by the CQC and not identified as 'underperforming' by SHAs as performance managers".

Could that be construed as the chief executive wanting to keep the dirty laundry in-house instead of supporting the quasi-independent CQC?

It remains clear that our model of separate independent regulation of quality and finances, which, sadly, was rejected in Committee, is much more transparent, effective and likely to support world-class patient care. I hope that the Minister will take the opportunity to explain the contradictory messages that the Bill and the Department are conveying.

I welcome most of Lords amendment No. 3. Again, I pay tribute to the Conservative Front-Bench team in another place, whose amendments in Grand Committee inspired it. I am especially glad that Local Involvement Networks have finally made it on to the face of the Bill. I know that hon. Members in other parties will also welcome that.

I welcome Lords amendment No. 72, which is in the next group, and adds the commission to the list of those to whom Local Involvement Networks must send copies of their annual reports. Again—I do not want to cause too much controversy—the Minister was strident in his opposition to the inclusion of LINks. He told me in Committee:

> "I do not think that the amendment requiring a statutory relationship with LINks is the right way to go about the matter… I am not sure that singling out LINks for special treatment in the form of a statutory relationship…is the right way of going about it." [*Official Report, Health and Social Care Public Bill Committee,* 10 January 2008; c. 152.]

On Report, he said:

> "we do not believe that it is appropriate to dictate to those statutory and independent bodies the way in which they should involve LINks in inspections or consultations." [*Official Report,* 18 February 2008; Vol. 472, c. 88.]

What has changed? Of course, a late concession is better than none, but the Minister should have been prepared to change his mind when we discussed those matters in Committee, rather than waiting until such a late stage and taking up the House's time.

[Mr. Stephen O'Brien]

I welcome proposed new subsection (1)(d) in Lords amendment No. 3, which recognises that the commission has a responsibility

> "to protect and promote the rights of people who use health…care services"

and I remind the House that we debated that matter in Committee, and again the Minister was unwavering about it. The Government previously extended the provision only to children and vulnerable adults. Conservative Members believed that the CQC should promote the rights of all people, including those groups, but not excluding others. I am glad that the Government saw reason in another place. Again, I regret that the Minister did not see it sooner.

I regret that the Government have retained clause 2(4) in proposed new subsection (2) of Lords amendment No. 3. As the provision is drafted, the CQC must still

> "have regard to such aspects of Government policy as the Secretary of State may direct."

That makes nonsense of the idea of independence. I accept that the Minister has made several concessions to the independence of the bodies that the Bill creates or modifies—but those leave the provision that I have just cited looking rather out of place. Through it, the Secretary of State retains significant control over the CQC. In addition, clause 42 provides that the Secretary of State

> "may direct the Commission to devise indicators"

of quality.

That is a retention of politically motivated targets, and the Bill is peppered with similar phrases.

Dame Denise Platt stated in her powerful evidence:

> "We think that the independence should be clear. The body should have the opportunity to think, initiate and comment and to be accountable to parliament for what it does"—[*Official Report, Health and Social Care Public Bill Committee,* 8 January 2008; c. 14, Q18.]

I am not sure that the Bill provides for that sort of independence. It contains many phrases along the lines of "with the agreement of the Secretary of State".

Speaking about clause 41, the Healthcare Commission stated in its submission:

> "there is a risk of conflict with the independence that the Bill envisages for the regulator".

It added:

> "We do not think that the Government should determine operational priorities for an independent regulator."

The independence of the regulator is key to freeing our NHS from political meddling. It is sad that the Government have not taken the opportunity to work towards that. The regulator will have the full confidence of the patients and front-line staff only when quality is its sole driver, not the political desires of the Government of the time. I am glad that we have won that and other concessions, but until the Secretary of State's power as set out is removed from the Bill, it does not go far enough.

As for LINks, I welcome Lords amendment No. 4 and its focus on service users, which has yet again been underpinned by amendments from the Conservative Front Bench in another place and a new clause proposed by me in Committee. I welcome the fact that, through Lords amendments Nos. 24 and 25, the CQC will be required to report on user involvement. The Minister rejected our proposals in Committee on the grounds that the advisory committee that the commission must establish under schedule 1 could allow such involvement. I am glad that he has changed his mind, but I would be grateful to know why.

Mr. Redwood: Is all this not just more evidence that the Government cannot get away from centralised, target-setting, interfering bossiness, messing up the health service and not allowing innovation and professional choice?

Mr. O'Brien: My right hon. Friend reaches for the overarching principle that lies behind the mindset that informs Bills of this type. The Government have an opportunity to pick up on the enormous amelioration that we could have, in resettling the basis on which the NHS can deliver, organically and from patient-driven demand, improved health care outcomes, rather than having an input-driven, target-setting approach. That is set out in our autonomy and accountability Bill, which has been drafted by the Opposition and is ready to go. I am grateful to my right hon. Friend for giving me the opportunity to ensure that, if that opportunity had slipped the Government's mind, it is now before them again.

We also welcome the explicit mention of carers at the end of Lords amendment No. 4. However, I note the circularity that persists in the Bill, in Lords amendment No. 5, which states that in Chapter 1,

> "'health and social care services' has the meaning given by"

clause 3, entitled "The Commission's objectives". Clause 3 defines "health and social care services" as

> "the services to which the Commission's functions relate."

However, clause 2(1) states:

> "The Commission has the functions conferred on it by or under any enactment."

The Government have failed to investigate not only public health and health inspections, but adequate protection in the areas of cosmetic surgery, needs assessments for care, and health-related assessments for work, as regards the personal capacity assessment and health assessments in custody.

Lords amendment No. 66, the final amendment in the group, ensures that the commission includes representatives of health care and social care, and action under the Mental Health Act 1983. I am glad that the amendment has been tabled, because the Minister strongly resisted such a proposal in Committee. We might have progressed through the opening clauses of the Bill much more quickly had the Government made that concession then. I note, for example, that in oral evidence the Mental Health Act Commission made clear the need for

> "adequate organisational and personal accountability at board level for the monitoring of and reporting on the needs and rights of detained patients."—[*Official Report, Health and Social Care Public Bill Committee,* 8 January 2008; c. 9, Q9.]

The Minister rejected our overtures, saying that our proposals

> "specify a great deal more prescriptive detail than we feel happy with…We believe it should be for the commission itself to establish the organisational structures…That should extend to the executive team it chooses to have…Specifying that the commission must have executive officers and committees that lead on different

client groups could undermine the commission's ability to adopt that integrated approach".—[*Official Report, Health and Social Care Public Bill Committee,* 10 January 2008; c. 134-35.]

I would be interested to know what has changed the Minister's mind, in terms of the content of Lords amendment No. 66, between then and now.

Sandra Gidley (Romsey) (LD): It would be churlish not to welcome the amendments, particularly those that reinforce the importance of social care. Given that most parties have tried to work together on some of these issues, it is a little churlish of the hon. Member for Eddisbury (Mr. O'Brien) to claim that every amendment in the other place resulted from the efforts of the Conservatives alone. I have read the Lords *Hansard*, and that is not quite my perspective—but I will move on.

4.15 pm

The inclusion of objectives is helpful in reinforcing the social care aspects of the commission. I was also delighted to see that the commission must now have regard to

"the efficient and effective use of resources in the provision of health and social care services."

We tried to raise the issue of commissioning quite a bit in Committee, but the Minister resisted our various attempts to include a provision in the Bill, despite the fact that Anna Walker made a powerful case for one during the Committee's evidence sessions.

It is probably fair to say, however, that those changes were not resisted as strongly as were the attempts to include LINks, and I am delighted that LINks are now included. Interestingly, I have picked out the same quote as the hon. Member for Eddisbury did from the Committee proceedings, when the Minister clearly said that he did not think including LINks was the right way to go, although he added that he would come back with clearer thinking on the issue. On Report, however, he repeated his earlier sentiment; indeed, we divided the House, and Government Back Benchers, almost to a man and woman, although not quite—there were a few honourable exceptions—agreed with him. I am almost tempted to find a way to divide the House now, to see whether Labour Members, as one body, have changed their minds, but that would be churlish, and we have to welcome what we have.

It is all very well including LINks, but some of us have grave concerns about how they will work in practice. They will be very different. They are supposed to respond to local needs. There is no formally prescribed set-up. LINks will have a different make-up in different parts of the country. I welcome the Minister's mention of the fact that there will be a broader basis and a broader consultation, and it would be helpful if he could outline how that will be achieved.

I have a couple of specific questions for the Minister. Lords amendment No. 3 deals with

"Matters to which the Commission must have regard".

It is right that it must now have regard to

"the rights of people who use health and social care services",

which means the rights of everybody, not just specific groups. However, the use of the word "rights" got me thinking. At various stages in our consideration of the Bill, we have attempted to introduce a human rights-based approach. It is relatively easy to define human rights, and although it is not always easy to enshrine them in new legislation, such legislation does help us to define them. It would be helpful if the Minister could clarify whether the word "rights" is intended to include human rights, whether it is intended to be broader, and what is meant by rights. I do not think that the term has particular legal meaning, so a broader outline of the Minister's thinking would be helpful.

I also have a question about Lords amendment No. 4. Although I am delighted to see a focus on user involvement, the proposed new clause strikes me as potentially tokenistic. Although the commission has to publish a statement describing how it proposes to involve users and carers, it is not clear when that is supposed to happen. The proposed new clause mentions periodic reviews that must be consulted on, but it does not say by when we should have the statement. Again, it would be helpful to have some clarification from the Minister when he sums up.

Finally, I welcome Lords amendment No. 66, which would make it clear in the Bill that a full range of knowledge must be represented on the commission, and that is clearly important. The chair of the commission has now been appointed, and in her evidence to the Select Committee she was very open about the fact that she knew little about social care. Knowledge has to be taken into account, so it would be useful to have further clarification of the depth of knowledge expected, of whether one board member will be enough, and of whether there will be attempts to create a balance. Although there has to be a full range of knowledge, the balance could still be tilted if the composition of the board changed over time and this principle were not kept at the forefront of thinking.

Mr. Bradshaw: I share the slight disappointment of the hon. Member for Romsey (Sandra Gidley) at the ungracious tone adopted by the hon. Member for Eddisbury (Mr. O'Brien). We made it clear throughout Committee that we were in listening mode, and open to constructive suggestions as to how to improve the Bill further. The hon. Gentleman referred to the contribution of his noble Friend Earl Howe when the Bill passed through the other place—and Earl Howe described the Government amendments as diamonds and gems. If the hon. Member for Eddisbury wants me to outline the exact differences between these amendments and those that he proposed in Committee, I shall be happy to do so, but let me say that his amendments were closer in form to stones and pebbles than to diamonds and gems. That is why we tabled our own amendments; if we had not, he would have criticised us for not listening and not improving the Bill. Thanks to the contributions of noble Lords from the Conservative, Liberal Democrat and Labour parties, as well as Cross Benchers in the other place, the Bill has been considerably improved, and I had hoped that the hon. Gentleman would have found it in himself to welcome that.

The hon. Member for Romsey asked about rights. The answer to her question is that the rights include human rights, but are not exclusively about them.

Lords amendment agreed to.

Lords amendments Nos. 2 to 5 agreed to.

Clause 13

CANCELLATION OF REGISTRATION

Lords amendment: No. 6.

Mr. Bradshaw: I beg to move, That this House agrees with the Lords in the said amendment.

Mr. Speaker: With this it will be convenient to discuss Lords amendments Nos. 7 to 23, 26 to 31, 53, 54, 67 to 72 and 84.

Mr. Bradshaw: This group consists of concessions, where we have listened and responded carefully to debate, and some minor technical amendments. Amendments Nos. 15, 16, 18 to 21 and 28 to 31 make it explicit that, as has always been our stated intention, the new regulator must conduct periodic reviews of care commissioned by primary care trusts or local authorities. Amendments Nos. 18 and 19 mean that, following a special review or investigation, the regulator must consider whether the report raises issues on which it should advise the Secretary of State.

Tabled in response to discussions on the independence of the new commission, amendments Nos. 17, 23 and 26 would moderate certain powers that the Secretary of State will have. We have also put on the record the fact that the commission can decide for itself when it begins its special reviews.

Finally, amendments Nos. 8 and 72 make even more explicit the need for providers to learn from complaints, and require LINks to send their annual reports to the commission. Amendments Nos. 53 and 54 result from recommendations of the Delegated Powers and Regulatory Reform Committee, while the remaining amendments are simply technical and are intended to improve the Bill. I hope that the House will support them.

Mr. Stephen O'Brien: I shall use precisely the same words as I used in my opening remarks on the previous group of amendments. I welcome—the Minister and the hon. Member for Romsey (Sandra Gidley) both seemed to miss my saying that—the majority of the amendments, which again pick up on points made by Conservatives in both Houses. It does not matter how much the Minister and the hon. Lady wish to deny that they were Conservative initiatives, they were indeed proposed by us in both Houses. I am pleased to say that some of them were supported by other Opposition parties.

I am glad that the complaints function is addressed in regulations, although I fear that there are unresolved issues for patients, particularly for self-funders in social care. I am glad of greater scrutiny for prison and defence health care, although I retain some concerns about the powers of the Executive over that. I am glad of the amendments that limit the powers of the Secretary of State, but I am disappointed that no substantive amendments were achieved on malnutrition, given the powerful debates on that both in Committee and on Report.

Amendments Nos. 6, 7, 9 and 11 are not controversial. Amendment No. 8, however, merits a bit of discussion. In addition to the handling of complaints and disputes, it enables regulations to make provision for the application of lessons learned from them. I am pleased to see the amendment on the amendment paper. It recognises that an effective complaints process includes a performance management output, so that mistakes are not repeated and loopholes are closed. I again pay tribute to my noble Friend Earl Howe for championing the amendment in another place, and I am pleased that the Government made the concession. However, it comes nowhere close to addressing the serious concerns that remain about the complaints arrangements both within registered providers and on a national scale through, inter alia, the parliamentary and health service ombudsman. I draw the House's attention to cross-party concern on that.

The hon. Member for Luton, North (Kelvin Hopkins) made a number of powerful speeches on the subject in Committee, saying:

> "A number of my hon. Friends, not necessarily members of the Committee, are concerned about changes in patient representation and procedures for patients making complaints in recent years."—[*Official Report, Health and Social Care Public Bill Committee,* 17 January 2008; c. 346.]

He was supported by the hon. Member for Tamworth (Mr. Jenkins) in holding the Government to account for their failure in that respect. The amendment fails to address three issues—resourcing the ombudsman, monitoring trends, and supporting complaints by social care users.

If you remember, Mr. Speaker, the Committee had three evidence-taking sessions before it considered the Bill in detail. In the ombudsman's written evidence, she said:

> "I have already explored with the Treasury the additional funding I am likely to require".

However, no figure has been put on that. This is a serious issue, as the saving made by the Care Quality Commission will no doubt be reported as a gross saving by the Department, but could be a net loss to the taxpayer.

I must remind the Minister that at column 348 of our Committee proceedings he promised to write to me with "the exact figure"—a promise that his letter MS (H) 103035 failed to deliver on, dealing with the issue only in the broadest terms. It is disappointing that the Bill has reached its final stages, with this amendment, without that information coming before the House. I complained about that on Third Reading, but have had no response from the Minister.

Looking at the complaints that the Healthcare Commission has received, the ombudsman faces a potential elevenfold increase in her work load. How much will that cost? We need to know whether the cost is admitted by the Treasury, or is it in denial of the costs of its very own legislation? Has the ombudsman been given the assurances and budgets requested and required? If not, why not? If the Minister does not know the answer, then after all this time, why not? If he does, but will not give it, surely we are right to place the question on the record.

Angela Browning (Tiverton and Honiton) (Con): Associated with my hon. Friend's comments is the fact that I am still unclear—I wonder whether he or, eventually, the Minister can clarify this—how some of the lessons learned and how the complaints procedure generally, whether it is through the Care Quality Commission or the ombudsman, will translate into changes of policy in either health or social care?

Mr. O'Brien: My hon. Friend touches on an important point—how we benefit from the processes. That has not been particularly well thought through, not least because of the absence of, for instance, the great bed-watch campaigns that the old community health councils could collectively inspire. Indeed, the second of the three areas that I was discussing in relation to amendment No. 8 and our concerns, which remain unaddressed but have been part of the debate that has led us to this point, was monitoring the trends. For a regulator, local or national trends revealed through complaints can be a useful bellwether—precisely the point made by my hon. Friend—in directing its inspection activity. The amendment, however, fails to establish a mechanism for the monitoring of complaints trends at national level—as did the old bed-watch campaign, until it was summarily scrapped.

4.30 pm

The Minister told the Committee:

> "It will be very important that the ombudsman works very closely with the Care Quality Commission if he or she identifies a pattern of complaints that is worthy of closer inspection and investigation."—[*Official Report, Health and Social Care Public Bill Committee,* 17 January 2008; c. 347.]

I am disappointed that the Government have not accepted amendments that would have included that in the Bill.

As for the third area—the supporting of complaints by social care users—the Bill does nothing to address the disparity in access to such support between publicly and privately funded individuals. The Under-Secretary of State for Health, the hon. Member for Bury, South (Mr. Lewis), said in Westminster Hall

> "it is unacceptable that self-funders should not have the protection that other residents have".—[*Official Report, Westminster Hall,* 11 December 2007; Vol. 469, c. 52WH.]

In September, he told the radio programme "File on 4" that he would achieve that through legislation. Given the limited scope of the amendment, can the Minister confirm that the Government are reneging on that commitment? If they are not, where is the legislation promised by his equally senior colleague, and when will we see it?

We welcome Lords amendment No. 14, which should provide further protection for two groups of people whom I hesitate to bracket together—soldiers and prisoners. Members will be familiar with the countless stories of our brave armed forces personnel being treated alongside the civilian population in what are sometimes unacceptable circumstances. As for prisoners, they have some of the worst health—particularly mental health—in the country, and it is right that they should be protected. I am, however, concerned about the scope for the CQC's powers of entry to be limited

> "in the interests of national security".

What assurances do we have that the power will not be used to cover up poor practice or poor Government policy? Surely it is not beyond the wit of man to appoint inspectors who are security-cleared for such circumstances. I appreciate that that may be a problem, but what checks and balances are there on the exercise of executive power?

Lords amendment No. 31 defines

> "health care commissioned by a Primary Care Trust"

and

> "adult social services commissioned by an English local authority"

as

> "health care provided by other persons pursuant to arrangements made by the Trust"

and

> "adult social services provided by other persons pursuant to arrangements made by the authority"

respectively. Lords amendments Nos. 15 and 16 require the CQC to conduct periodic reviews of health and social care "provided or commissioned" by PCTs and local authorities respectively.

Can the Minister confirm that that phrasing, which seems to have a certain ambivalence, commits the CQC to periodic reviews of commissioning as well as of commissioned services? I do not understand how "services commissioned by" can mean the same as the process of commissioning. One of the aims of amendments tabled by Conservatives in both Houses during the Committee stages was to give the CQC power to inspect commissioning itself, not just commissioned services. Indeed, the Liberal Democrats tabled amendments in almost exactly the same terms and for similar purposes.

Anna Walker told the Committee during oral evidence:

> "you have to look at a mixture of commissioning and provision: at what the primary care trusts are doing, as well as what the provider is doing. We would like to see that power for the wider review cover commissioning as well as provision."—[*Official Report, Health and Social Care Public Bill Committee,* 8 January 2008; c. 17, Q25.]

The Healthcare Commission's annual health check for 2008-09 will assess PCTs on the quality of their commissioning.

I remain concerned about the fact that the powers of the CQC seem to be limited to the registration and inspection of health care rather than involving broader health issues. As the Minister will recall, Anna Walker said in her evidence to the Committee, in response to a question from me,

> "we are very perturbed that at the moment the administration requirements explicitly exclude catching work on health, as opposed to healthcare ... we believe ... that people's health needs to be looked after as well as their health care ... The registration requirements explicitly say that they cannot bite on public health issues, only on healthcare issues."—[*Official Report, Health and Social Care Public Bill Committee,* 8 January 2008; c. 12, Q12-13.]

That was in relation to clause 90. Anna Walker raised that issue as far back as September 2007. She told the *Health Service Journal*:

> "People who look after healthcare are really important in looking after health. Although regulation is not the only player in this it is a very useful lever to improve public health."

I ask the Minister to confirm why the NHS chief executive, who added some evidence in relation to that matter, is content with those proposals, particularly as regards public health.

On 2 August last year, the *Financial Times* stated that

> "a battle had broken out"

between David Nicholson, the NHS chief executive, who sees the PCTs as part of his management empire, and Anna Walker, who said that there must be

> "a mechanism for holding people publicly accountable"

for the quality of purchasing. During the Committee stage, the Minister said that performance assessment of PCT commissioning "was provided for" in the Bill under the special reviews regime, and would not accept our amendments to clause 42. If this provision delivers the power of periodic review of commissioning, I am glad that he has listened to us.

Lords amendment No. 17 removes the power of the Secretary of State to modify documents of the commission which set out the frequency of reviews. Those documents would still require the Secretary of State's approval. Again, the amendment comes in response to amendments that we tabled in the Grand Committee, again supported by another party. That is a small victory in the Conservative crusade to have the CQC set up as an independent regulator, rather than one too often at the beck of the Secretary of State. Whether it turns out to be effective in practice, we wait to see. While the Secretary of State will not be able to "modify", he will presumably be able to withhold approval until he is happy with the document, amounting to the same thing.

Likewise, I welcome Lords amendments Nos. 18 and 19, which give the CQC a new power to refer matters of concern to the Secretary of State, and are the result of points made by my noble Friend Earl Howe in Grand Committee. They give the CQC a further power in its own right, separate from the Secretary of State. I only lament, once more, that the CQC is not independent enough.

I welcome Lords amendment No. 23, which again removes the power of the Secretary of State to specify by order when the commission must publish programmes setting out the reviews, investigations and studies that it proposes to conduct. It is a further concession won in another place. Not only is it welcome as a further removal of the Secretary of State's control over the commission, but it is welcome as one less piece of legislation that will use up valuable parliamentary time. The 1950 Parliament put 720 pages of Acts and 2,970 pages of statutory instruments on to the statute book. Last year, the number of pages of new Acts totalled 4,609 and there were 11,868 new pages of statutory instruments. I just could not help referring to that, as it is so shocking.

I am also pleased that amendment No. 26 removes the power of the Secretary of State to make regulations prescribing the manner in which the new commission is to make and publish its plans for charging fees. It will be recalled that, although those elements to enhance the independence of the CQC are welcome, the Government have been unable to accept that it was appropriate to reconsider clause 2(4), which now seems rather out of place and which effectively enables there to be a Secretary of State override, as the commission must have regard to what the Secretary of State "may direct."

Lords amendment No. 22 enables the Welsh Ministers and the commission to share information to support the efficient and effective discharge of their functions. Representing a constituency which shares a border with Wales, I am glad to see that provision included, because, while there is a political and administrative boundary, people on the ground want to use the service that is most convenient and effective for them: people from Flintshire coming to Chester, and people from the south-west corner of my constituency going to Wrexham Maelor and other such places. I also note that we were the only party with an MP representing a Welsh constituency in the Committee. As the measure applies to Welsh bodies, that was an important point, which we made in selecting those who served on the Committee. I would be grateful if the Minister confirmed whether that amendment would allow me, representing my constituents who use services under the purview of Welsh Ministers, to gain the rights of audience that I should have with those Ministers on behalf of my constituents.

It just so happens that a very upsetting constituency case has come across my desk today. Welsh Ministers have today decided to close a special needs children's home, just after an autistic Asperger's syndrome child had spent three months getting familiar with it. Today, with all his furniture moved into his new home, they have announced its closure, and he was due to arrive tomorrow morning. It has been the most desperate decision by Welsh Ministers in that case.

I also note the scathing interim report from the Welsh Affairs Committee on cross-border health care. I should be grateful if the Minister confirmed that adequate data protection would be in place for such data sharing, and I hope that Welsh Ministers, English Ministers and the CQC will take seriously the four criteria that have been established: clinical excellence as close to home as possible, border-proofing of policy and practice, cross-border citizen engagement, and transparency and accountable co-operation between localities, regions and Governments.

Amendment No. 67 would make a minor amendment to schedule 5 to reflect the fact that the Children and Young Persons Bill, which is referred to in the schedule, is not now expected to receive Royal Assent until after the Health and Social Care Bill does. There is nothing to be said on that amendment other than that it is terribly unfortunate that the Government Whips have failed so monumentally to timetable effectively a Government-sponsored Bill and have therefore got that out of kilter.

Amendment No. 68 would allow Welsh Ministers to use any information obtained in exercising specified functions for the purposes of any of their other specified functions. I would be grateful if the Minister confirmed that data passed from English bodies to Welsh Ministers would be handled with the same level of security as they are by English bodies—which, admittedly, is not much under this Government. More important, will English bodies or individuals who are the subject of such data sharing, and their representatives, be given rights of appeal to Welsh bodies as regards that data?

Sandra Gidley: I do not propose to go through the amendments at length, as we support most of them because they improve the Bill and make changes that we sought to secure in Committee.

I particularly welcome the amendments that strengthen the role of the commission with regard to commissioning. My interpretation of Lords amendments Nos. 15 and 16 is that they would allow for the commissioning to be reviewed. I was very taken by the comments of Lord Warner on Report in the other place. He has considerable experience of health matters, and he said:

> "In the past, there has been a considerable reluctance on the part of the NHS, and often of the Department of Health and Ministers, to act when commissioners are failing. They are much more willing to act when providers are failing. The Bill is strongly focused on providers, with a registration system and a set of sanctions accordingly.
>
> I do not want to put the noble Baroness, Lady Young, in a difficult position in her future relationships with Ministers and SHAs, but there is an issue about whether, in the Bill, the commission should be able to require some action from the performance managers". [*Official Report, House of Lords*, 24 June 2008; Vol. 702, c. 1349.]

Try as I might, I could see that there was a provision to review, but it was hard to see what sanctions were available if the commission felt there were problems in any area of commissioning. As it is a variable beast that works well in some areas of the country and less well in others, I felt Lord Warner raised a valid point that Lord Darzi did not fully address in his summing-up comments. It would, therefore, be helpful if the Minister were to add to them today, and put some flesh on the bones.

I particularly welcome the many amendments that take out the reference to the Secretary of State—in respect of modifying reports, for example. Although there are still some provisions for the Secretary of State, it is pleasing that his role seems to have been almost totally emasculated by the other place. That will be welcomed by those who query whether the new body will be truly independent. It is still not perfect, but it is much better than it was, and it is clearer that there is less provision for Government interference of any kind.

Mr. Bradshaw: On the issue of costs and the ombudsman, the hon. Member for Eddisbury (Mr. O'Brien) will know that the health service ombudsman for England is independent of Government, and she has made it clear that she has plans in place to ensure that her office is prepared to handle the expected increase from 1 April 2009. She has been exploring the funding that she is likely to require directly with the Treasury, rather than with my Department. She also made it clear in the memorandum that she tabled for the Committee, which has been shared with hon. Members, that she would be happy to provide them directly with any further information.

4.45 pm

On the question whether the complaints to the ombudsman would be followed up by the Care Quality Commission, the regulations under clause 16 make it clear that the detailed requirements of the registration system are likely to require all providers of health and adult social care to have appropriate complaints processes in place. In this case, the CQC would examine an organisation's handling of complaints and hold it accountable for how robust its arrangements were. That consideration would include whether organisations were learning from complaints, as we all want them to do.

On the issue of self-funding, I am sure that the hon. Member for Eddisbury is aware that the Government accepted that it was wrong that people who funded their own social care had no recourse to independent resolution of complaints. It was therefore with great pleasure that we were able to confirm on Third Reading in the other place that we would take the next available legislative opportunity to extend the remit of the local government ombudsman, so that he or she could investigate complaints by self-funders. To achieve that, we will amend the Local Government Act 1974. Of course, the local government ombudsman already has a role to play in investigating complaints by people whose care is arranged or funded by local authorities. A new responsibility for self-funder complaints will sit logically with those existing duties, and the ombudsman's staff will have the advantage of already understanding the types of issues that arise in adult social care.

Mr. Stephen O'Brien: The Minister rightly confirmed that the first legislative opportunity would be taken to introduce access to these arrangements for self-funders—we all hear and accept that, as he acknowledges. Given that such provision was not identified as part of the draft legislative programme recently announced by the Government, has the Minister had any indication as to whether we might expect it in the forthcoming legislative programme—after all, it was only a draft that was announced—or soon after? Alternatively, does he see it as a more distant horizon?

Mr. Bradshaw: No, we want to do this as soon as we possibly can. I am sure that the hon. Gentleman will accept that no Minister can stand at the Dispatch Box in July and say exactly what will be in the next legislative Session. As I have said, it is certainly our intention to legislate at the earliest opportunity.

As for the Care Quality Commission's commissioning role, I do not think that we could have made it clearer, both during the passage of the Bill and in changing its wording in the other place, that the CQC's role would include reviews of the process of commissioning. The hon. Member for Romsey (Sandra Gidley) made an important point about the overall importance of improving commissioning and the primary care trusts' capacity to commission. It should not be forgotten that alongside the role of the CQC in improving the quality of commissioning through regulation, we also recently announced in the primary and community care strategy—and before that, in our proposed performance and failure regime—how PCTs' commissioning could be better performance-managed. The Bill contains a power for the CQC to call on the Secretary of State to intervene where it believes that a PCT's commissioning is not up to standard.

Mr. Burns: The Minister gave my hon. Friend the Member for Eddisbury (Mr. O'Brien) a perfectly valid and stock answer under the old regime. However, given that the Government have changed the regime in favour of transparency and have published a draft legislative programme, why can the Minister not define what the earliest possible moment is? Why can he not assure the House that it will be in the next Session of Parliament, as opposed to giving a vaguer answer—we would have expected that before the change to greater transparency?

Mr. Bradshaw: Although we have, as the hon. Gentleman graciously acknowledged, improved the level of transparency through the process of publishing a draft legislative programme for consultation, he will know that that is not an exhaustive list of Bills and that the fact that a Bill has been published in the draft legislative programme does not necessarily guarantee that it will have a place in the final programme. As I said, I am not in a position—he has been here long enough to know that no Minister would be in this position—to say in July what will be in the next Queen's Speech.

Lords amendment agreed to.

Lords amendments Nos. 7 to 31 agreed to.

Clause 111

POWERS OF SECRETARY OF STATE AND DEVOLVED ADMINISTRATIONS

Lords amendment: No. 32.

Mr. Bradshaw: I beg to move, That this House agrees with the Lords in the said amendment.

Mr. Deputy Speaker (Sir Michael Lord): With this it will be convenient to discuss Lords amendments Nos. 33 to 36, 52, 55 to 60, 62, 73 to 83 and 85 to 89.

Mr. Bradshaw: This group of amendments reflect areas in part 2 of the Bill where arguments put forward in the other place merited serious consideration. We have also tabled amendments to achieve a new policy, which I will turn to first.

Amendments Nos. 36, 60, 75 to 78 and 85 to 89 were introduced at Grand Committee stage in the other place to meet a Government commitment to abolish the Hearing Aid Council by April 2009 and to transfer the regulation of private hearing aid dispensers to the Health Professions Council. This group of amendments is intended to achieve that by paving the way for a future Order in Council under the section 60 provisions of the Health Act 1999, in addition to ensuring that public hearing aid dispensers can be regulated in the same way in the future.

I accept that it is not ideal that this House did not have the opportunity to consider this provision in its deliberations in Committee. I hope, however, that hon. Members will forgive the fact that this is a late addition to the Bill in recognition of the very real benefits that this measure will bring for patients and consumers. First, this will provide improved protection for the hearing impaired and simplify the regulatory framework for hearing aid dispensers. Although the council has done a fantastic job over the past 40 years, it is operating under legislation that is increasingly outdated with gaps in consumer protection. The Health Professions Council, established in 2001, has modern and comprehensive legislation that will provide for a much more complete service to patients and consumers. As a multi-professional statutory regulator, it can provide greater resources while charging considerably smaller fees to the profession. Secondly, and importantly, the Hearing Aid Council itself, the Health Professions Council, the Royal National Institute for Deaf People and the British Society of Hearing Aid Audiologists are all fully supportive of this move, and are working together to ensure that the transition will be as smooth as possible.

I turn now to the amendments that we have brought forward as a result of debates in the other place. Amendment No. 32 addresses concerns that the Secretary of State's power of direction over the Council for Healthcare Regulatory Excellence in the Bill, as originally drafted, could be perceived as undermining the independence of the CHRE. The reason for including it in the Bill was as a mechanism to help the CHRE to prioritise its workload in busy periods, but having discussed it with the CHRE we are now confident that it can be dispensed with.

On clause 116, I was persuaded by arguments put forward in the other place that the Bill could be strengthened to ensure that the careers of health care workers are not damaged by malicious or untrue allegations. Amendment No. 35 therefore requires the appropriate Minister to have regard

> "to the importance of avoiding unfair prejudice to health care workers against whom unsubstantiated allegations are made"

when making the regulations setting out in detail how information can and should be shared.

Mr. Charles Walker (Broxbourne) (Con): I have great sympathy with the Minister on that point because unsubstantiated allegations can ruin people's lives. What would be the process for ascertaining whether they were indeed unsubstantiated?

Mr. Bradshaw: That will depend on the evidence.

I turn now to the issue of the Office of the Health Professions Adjudicator. Amendments Nos. 52 and 56 respond to concerns that the piloting of legally qualified chairs might be unfair to individual practitioners who appear in front of OHPA's fitness to practise panels. Although I am clear that that can be done fairly, we have brought forward amendments Nos. 52 and 56 to ensure that if OHPA makes rules that include piloting provisions, these rules will be subject to the affirmative resolution procedure. That means that Parliament will have the opportunity to debate OHPA's detailed proposals for the pilot, and will be able to reject them if it is felt that they are unfair.

Amendments Nos. 33, 34, 55, 57 and 59 implement recommendations of the Delegated Powers and Regulatory Reform Committee. They provide that when the first regulations are made under clauses 114 and 115, conferring responsibilities and additional responsibilities on responsible officers for the first time, the regulations will be subject to the affirmative resolution procedure. Finally, amendments Nos. 62, 73, 74, 82 and 83 are technical and minor.

Mr. Stephen O'Brien: Amendment No. 32, which leads this group, would remove the Secretary of State's power of direction in relation to the CHRE. It is exactly the same as my amendment No. 207, which was tabled at the Commons Committee stage. The Government conceded after the point was raised again by my noble Friend Earl Howe. Of course, we welcome it and thank the Government for listening, even if they did take the whole process of the Bill to do so.

Lady Justice Smith told the Committee during its oral evidence sessions:

> "it is important, particularly in the health sphere, that the adjudicatory body should be seen to be independent of Government because the Government are a huge customer of healthcare; the biggest customer of healthcare. Therefore, it is important that there should be no suspicion that the Government are in a position to pull strings behind the scenes, as to what goes on. Absolute clarity and absolute independence are really important."—[*Official Report, Health and Social Care Public Bill Committee,* 8 January 2008; c. 42, Q82.]

The Minister rejected my amendment in Committee on the grounds that there was

> "no intention to fetter the body's freedom"

but

> "to ensure that, where necessary, a Secretary of State can ask the council to prioritise certain areas of its work load over others: for example, in cases in which there is particular public concern".—[*Official Report, Health and Social Care Public Bill Committee,* 22 January 2008; c. 421.]

That is as clear an admission of the political meddling that the Bill enables as one is likely to get.

I am glad that the Government have conceded that point. I would be grateful if the Minister outlined why and how his views have changed since the Committee stage and why it was not possible to concede the points at that time. Exactly the same points were made to advance that argument in this House as were made in the other place, as the Minister mentioned.

Amendments Nos. 33, 34, 55, 57, 58 and 59 were tabled in response to the Lords Delegated Powers and Regulatory Reform Committee and to Conservative amendments tabled by my noble Friend Earl Howe. The DPRRC recommended that regulations conferring responsibilities on responsible officers under new section 45B of the Medical Act 1983, as inserted by clauses 114 and 115, should be subject to the affirmative resolution procedure on their first exercise by each of the appropriate authorities. I note that the DPRRC made three specific recommendations and that the Minister accepted them all.

The Minister will be aware that we called for regulations under clause 114 to be subject to the affirmative resolution, along with all the other regulations in the Bill. The House will recall that a quarter of the clauses in the Bill are dependent on regulation—a high proportion. In addition, there are a number of Henry VIII clauses that enable the amendment of primary legislation by secondary legislation, although the majority are already covered by the affirmative resolution. I am glad that the significant new step in regulatory policy—the creation of responsible officers—will have proper parliamentary scrutiny at its outset, at the very least.

In Committee, we tried to pin down some of the policy on responsible officers. The discussion was framed by the concerns expressed by Lady Justice Smith during her oral evidence. She told us:

> "I really find it difficult to know how responsible officers are going to work and what role they will play in revalidation. I do not get that from this Bill."

She went on:

> "I cannot tell from the Bill how it will work, which bothers me. I am worried about responsible officers".—[*Official Report, Health and Social Care Public Bill Committee*, 8 January 2008; c. 42-43, Q83.]

One suggestion is that PCT medical directors will be the responsible officers. Indeed, the Minister told the Committee that while the Government

> "do not seek to be prescriptive, we think that a medical director would be perfectly appropriately for this role"

and that

> "it would not require a full-time post."—[*Official Report, Health and Social Care Public Bill Committee*, 22 January 2008; c. 431-33.]

PCT medical directors are already busy and have many priorities. In her oral evidence, Lady Justice Smith noted that, saying:

> "I am really unhappy about that for several reasons...I do not like the idea of a medical director, who already has a lot of jobs, having to take on responsibility for revalidation as well as all his other jobs. I think that that is too much."

Part of her desire to have the responsible officer as a separate role arises from her concern that

> "the revalidation process should be clear and understood, that it should be summative and a proper test, and that it should not just involve shuffling pieces of paper around and rubber-stamping them".

5 pm

The Medical Protection Society has also made that point. To show how the responsible officer's position could cause serious conflicts of interest, I hope that it will help the House if I cite a short example. Let us say that a local doctor prescribes an essential cancer drug for a patient and that that puts strain on the PCT's budget. Suddenly, the doctor finds himself at the wrong end of inquiry by the local GMC affiliate medical director. How does the GP know that the inquiry is genuine and not contrived? How does the medical director, the GMC affiliate, know that he is not being influenced in his regulatory decisions by pressure from his PCT chief executive?

Lady Justice Smith noted the reverse possibility. She said:

> "There is a real tension between, on the one hand, an employer's desire to keep all of his employees in post, revalidated and fully qualified, and, on the other hand, the possible need to refuse to revalidate somebody, in which case their services might be lost entirely, diminished or put on hold, from which problems might arise. I am unhappy about that. I cannot tell how it will work, but it looks to me that it might be like that."—[*Official Report, Health and Social Care Public Bill Committee*, 8 January 2008; c. 43, Q83.]

Dr. Hamish Meldrum of the British Medical Association said:

> "It comes back to the whole business of having confidence. We are aware of people—medical directors in trusts, or otherwise—whose loyalties have been primarily to their trust. We are not saying that their loyalties should be to the profession, but they should be to the wider benefits of health care. It is about achieving that balance by a degree of separation of function and a degree of separation of loyalties from the employer, and having an effective and practical operation. That is quite difficult: I accept that."—[*Official Report, Health and Social Care Public Bill Committee*, 8 January 2008; c. 67, Q148.]

The PCT medical directors are themselves the employees of PCTs, so their impartiality in the regulatory management of local doctors cannot be guaranteed. Responsible officers should be completely independent of the local PCT as in that way they are more likely to command the trust of local doctors and hence ultimately make the scheme more successful. As yet we have no confirmation that PCTs will not be encouraged or coerced, either by policy or by funding issues, to merge the two roles.

Responsible officers provide an opportunity for a dedicated individual to pick up the early warning signs in, for example, prescribing practice. That allows an opportunity to improve performance. In an open system of benchmarking, that could be an effective asset to the local and national health economy, and to the professionalism and morale of local doctors.

Given the contention surrounding the policy, I am glad to see this Government concession to pressure from the DPRRC and to points made by the Conservatives and Liberal Democrats, both in this House and the other place. I trust that the affirmative resolution procedure will provide an opportunity for proper parliamentary scrutiny of the proposals. I hope that the Government will listen to the hopes of the profession in order to make the policy work best, for patient protection and better patient care.

I turn now to Lords amendment No. 35. It would require the appropriate Minister, when making regulations on the sharing of information about health care workers among specified bodies, to

> "have regard to the importance of avoiding unfair prejudice to health care workers against whom unsubstantiated allegations are made."

Liberal Democrat members of the Committee spoke about this matter, as did my noble Friend Earl Howe in Grand Committee. In Committee, the Minister said that the protections needed in respect of sharing unsubstantiated allegations would be made

> "plain in the secondary legislation."—[*Official Report, Health and Social Care Public Bill Committee*, 22 January 2008; c. 438.]

What has changed the Minister's mind to bring us to where we are today? Can the Minister confirm whether there will be official processes—perhaps a formal alert system—to avoid tittle-tattle and unfair stigmatisation?

Mr. Walker: Perhaps my hon. Friend can help me. An allegation is an allegation. What in the Bill will protect members of the clinical professions from having allegations made against them? Surely the person making the allegation must be made aware that if the allegation is malicious, they will face legal action.

Mr. O'Brien: I am most grateful to my hon. Friend, who makes a powerful point. We in this House must be supremely conscious to ensure that justice can be done, and can be seen to be done. We are talking about a quasi-judicial area, and it is of course important not to discourage whistleblowing, which is one of the best sources of information. The Minister of State, Department of Health, the hon. Member for Exeter (Mr. Bradshaw), and I have been asked the question: what does one do to guard against those who might be minded to make a malicious allegation? There are people who might be keen to do so, because of career jealousy or personal angst. What would be the threat against those who knew that they had done something wrong? The answer is not in the Bill. The Bill rightly ensures that information can be provided, and it could be malicious or non-malicious. If it is non-malicious, that is fine, and the allegation will be examined.

Of course, as with laying information before the police, there is information that it is important to provide. If it is of the most catastrophic kind, we need to know it as soon as possible, so that the police or, in this case, the professions, can investigate. My hon. Friend's point is about the middle ground—an issue that is not specified in the Bill. That could be improved.

Mr. Walker *rose*—

Mr. O'Brien: Perhaps I could just finish the point. There ought perhaps to be a safeguard. Somebody who makes a complaint needs to know that they can opt for an alert system. They can put the matter to an official body, which can then be on watch, or on alert, without launching a formal investigation. By that means, responsibility is offloaded from the individual. If the complaint is non-malicious, that is likely to give the person confidence that they have at least done the right thing. They will know that the official bodies are in possession of information that gives them the chance to be on watch, or to put in place an appropriate alert system. That happens in other areas, and quite properly so.

The problem is that at the moment we do not have that necessary halfway house, which would at least in part provide the safeguard that my hon. Friend seeks in order to deter malicious tittle-tattle and worse. That is not in the Bill, but now that we have had this exchange, I hope that the matter will at the very least be picked up in the training and guidelines for all those involved officially in encouraging whistleblowing more widely, through marketing. We see advertisements encouraging whistleblowing in various parts of our community from time to time, so that we can get genuine information and so forth. That information will then be given, and the subject of the complaint can be officially put on watch; that way, allegations are not simply a way of passing on tittle-tattle. I hope that that addresses my hon. Friend's valid and important point to some degree, and I am deeply grateful to him for raising it.

When the Minister addresses the points raised in discussion on this group of amendments, it would be helpful if he amplified his views on whether there will be official processes—perhaps a formal alert system of the kind that I described—to avoid tittle-tattle and unfair stigmatisation. That would give whistleblowers clarity and peace of mind about the fact that their concerns are being dealt with professionally. It would also give professionals the confidence that they need in the system, and I hope that the Minister listened carefully to our exchange.

Amendment No. 52 is coupled with amendment No. 56. They would ensure that the rules concerning the running of a pilot scheme for legally qualified chairs of panels were subject to the affirmative procedure. As I am sure the Minister remembers well, we have already had extensive debate about legally qualified chairs. The amendments were tabled in response to points made by my noble Friend Earl Howe in Grand Committee, and by others, about the fairness of the scheme. The Government amendments on legally qualified chairs that were brought forward on Report in the Commons did not go as far as they might have done, but they were an important concession by the Government, and they recognised the strength of the arguments—not least our own—on legally qualified chairs.

The provision of legally qualified chairs arises from recommendation 79 of the Shipman inquiry's fifth report, by Lady Justice Smith, then Dame Janet Smith. She reinforced her position during an oral evidence session in the Public Bill Committee, on 8 January, at column 37 of *Hansard*. Her grounds relate to effective chairmanship, the speed of proceedings, a higher standard of reasoned decision, and an ability to deal with the complexities of the civil standard of proof. It will be remembered that the Bill uses the civil, as opposed to the criminal, standard of proof for the processes in question. I am glad that both Houses will have the opportunity to scrutinise the final proposals when they come before us; that will be absolutely vital.

Amendment No. 62 prevents schedule 8 from coming into force on the day the Act is passed. Will the Minister clarify why he has had to take that step? I am grateful that the Government have conceded that the commission should be able to conduct special reviews from the outset. The Government spokesman in another place noted:

> "The commission will decide for itself what reviews are necessary from the outset, taking account of the resources available to it and the need to fulfil all its statutory functions."—[*Official Report, House of Lords*, 12 May 2008; Vol. 701, GC253.]

Both the Commission for Social Care Inspection and the Healthcare Commission have produced valuable special reports that are able to assess the national picture of a specific issue. There was some concern about the Government's desire to delay granting that power to the regulators—not least that the delay would have conveniently tied the hands of the regulator until after the next general election. The Minister opposed the move in Committee and we pushed it to a Division. Why did the

Government not change their mind at that point rather than now, welcome though it is that we have now reached agreement?

Amendments Nos. 73 and 74 make what the explanatory notes call "minor drafting changes" to schedule 7. Amendment No. 73 excises the phrase "member State" and replaces it with "relevant European State". Often, these things can be absolutely fundamental, given how European legislation tends to work, but as far as I am aware, the relevant sections of the Medical Act 1983 have not been amended to read "relevant European State" instead of "member State". Will the Minister explain the substance behind the amendment and why it is being made? Surely "member States" are easily definable and "relevant European States" less so.

The amendment may not be so much a "minor drafting change", although it must be thought to be that, given that the phrase is in the explanatory notes. It just worries me that it could be a definitional read-across that it is important to recognise, given that at the moment there is the introduction under European legislation of the 48-hour week. That is having a major effect on how health services can be provided in our country, let alone in other member states. We should have uniformity of definition.

In answer to a written parliamentary question of mine, a Health Minister recently accepted that there was a great raft of member states that had not agreed to impose the 48-hour limit on the working week of those in the medical professions. We wonder whether a sleight of hand may be behind the issue. As I say, I have no reason to believe anything other than what is in the explanatory notes, but it is extraordinary that we should be asked to replace "member State" with "relevant European State" without an explanation, given that these things often carry such important cross-referencing in legislation.

Amendment No. 82 ensures that the Council for Healthcare Regulatory Excellence would not be able to take action on the case of any individual in respect of whom there were or had been proceedings before the Office of the Health Professions Adjudicator. We raised the issue in Committee. The Minister contended that he had already achieved that through what was then Government new clause 6. He said the new clause meant that possible disputes about whether the council had the power to consider individual cases would be avoided. Why, then, were the Government unable to get the issue right in the first place? That question is left hanging in the air. The other matters in this group of amendments need not detain us any longer.

Mr. Bradshaw: On the removal of the Secretary of State's power of direction over the Council for Healthcare Regulatory Excellence, I should say that we did listen to the debate, both in Committee and the other place. We also spoke to the chairman of the CHRE, and we changed our minds. I ended up agreeing with the hon. Member for Eddisbury (Mr. O'Brien) on that matter.

I think that amendment No. 35 was originally tabled by the hon. Member for Romsey (Sandra Gidley) in Committee; she raised concerns about the possibility of malicious complaints being made. The amendment is an attempt to address those concerns by ensuring that information must definitely reveal a threat to public safety if it is to be shared. We also made it clear in the amendment that the appropriate Minister, when making regulations under clause 116,

> "must have regard to the importance of avoiding unfair prejudice to health care workers against whom unsubstantiated allegations are made."

We have been seeking advice from an expert group whose conclusions will be published in the autumn. We will then consult on the principles that will underlie the regulations and guidance and, in due course, on the draft regulations themselves.

5.15 pm

On responsible officers, we provided an outline of the delegated powers memorandum prepared for the Bill—a copy is in the Library—and we will shortly issue a consultation paper setting out in more detail the proposed content of regulations and guidance. I remind the House that responsible officers will not take decisions about a doctor's career. Decisions about revalidation and whether to investigate in fitness to practise cases will still be taken by the General Medical Council, and decisions about employment will be taken by the employer. In addition, we will provide detailed guidance for responsible officers to ensure that they document concerns only when that is appropriate. Doctors will be able to see and challenge what information is kept about them on file.

The hon. Member for Eddisbury had a couple of queries about some of the technical amendments. On amendment No. 62, clause 162(1)(b), as drafted, provides that order-making and regulation-making powers or amendments to such powers contained in the Bill will generally come into force with Royal Assent. The amendment clarifies that that will not apply to clause 106 and schedule 8, which contain amendments to the order-making power in section 60 of the Health Act 1999. Other provisions in schedule 8 will need to be commenced prior to the order-making power being used and commencement of certain aspects of the provisions, as subject to consultation with Scottish Ministers under clause 166(1). The amendment ensures clarity regarding the commencement of these provisions.

Mr. Stephen O'Brien: I appreciate that this is a technical matter, but the Minister will understand that there are commencement dates and people need to make their plans. I may have misheard him, but I think he said that schedule 8 will need to be implemented before the main part of the Bill. That is the first time I have come across that in this House. I assume that a schedule can come into force before the main body of the Bill to which it relates.

Mr. Bradshaw: I do not think that that is the case, but I undertake to write to the hon. Gentleman with clarification.

The hon. Gentleman asked about amendment No. 73. The European Qualifications (Health and Social Care Professions) Regulations 2007 amend the heading of section 44 of the Medical Act 1983. We have changed the reference in the Bill to reflect that. It has no effect on the meaning of the provision. The difference that he highlights is that between a European member state and a relevant European state. A "relevant European state" means a member state of the European economic area or Switzerland. The Swiss have certain treaty rights despite not being members of the EAA, including free

[Mr. Bradshaw]

movement of Swiss professionals and the recognition of their qualifications by member states.

Lords amendment agreed to.

Lords amendments Nos. 33 to 36 agreed to.

Clause 123

PUBLIC HEALTH PROTECTION

Lords amendment: No. 37.

Mr. Bradshaw: I beg to move, That this House agrees with the Lords in the said amendment.

Mr. Deputy Speaker: With this it will be convenient to deal with Lords amendments Nos. 38 to 47.

Mr. Bradshaw: Amendments Nos. 38, 40 and 41 strengthen the safeguards available for those subject to orders by justices of the peace by placing additional maximum time limits on detention, isolation or quarantine. Amendment No. 38 provides for an automatic review every 28 days where an individual is quarantined, isolated or detained under regulations made using section 45C of the Public Health (Control of Disease) Act 1984. Amendments Nos. 40 and 41 provide for the period of any extension of a measure for detention, isolation or quarantine imposed under an order not to exceed 28 days. There were concerns in the other place that the wording of the legislation could lead to disposal of dead bodies in a less than respectful manner. Amendments Nos. 37 and 39 clarify that where disposal of an infected or contaminated dead body is required, it is by way of cremation or burial. It was also felt that clarification was needed as regards who should be notified when an application for a justice of the peace order is made regarding a dead body. Amendments Nos. 42 and 43 deal with that issue.

Amendment No. 47 ensures that regulations made using the emergency procedure in new section 45R are not subject to the process for making hybrid regulations. That is because the hybrid instrument procedure is a rather lengthy process and would not be appropriate where there is an imminent public health threat. Finally, amendments Nos. 44, 45 and 46 ensure that the first draft of the regulations under sections 45N and 45L(4), which provide for the making of additional provisions in relation to a justice of the peace's order, are subject to the affirmative procedure.

Anne Milton (Guildford) (Con): I shall start with amendments Nos. 37 and 39, which ensure that dead bodies are disposed of respectfully. The former wording of the clause did not really protect the humane treatment of dead bodies, and I am sure that many in this Chamber would like to think that they will be buried or cremated, rather than disposed of. I would particularly like to thank those in the other place for picking up on this point. Conservatives in the Grand Committee commented that the insensitivity should be addressed, and I welcome those amendments.

Amendment No. 38 makes available a right of review for special restrictions or requirements

"imposed by virtue of a decision taken under the regulations".

Proposed new subsection (6B) would provide that where the restriction or requirement imposed was isolation, detention or quarantine of a person, the maximum period prior to review, and the maximum interval between reviews, would be 28 days. In addition, the review would be automatic for such measures. I fully support that amendment. In Committee, we had considerable discussion about issues relating to detention. I am pleased to see that the Minister has recognised some of the concerns about safeguards on the power to detain, isolate and quarantine people. The measures will restrict periods of detention, isolation or quarantine under the domestic regulation-making power to a maximum period of 28 days before a review must take place. We do not want a situation where people are held in isolation or quarantine indefinitely at the mercy of a periodic review. I therefore welcome the extra safeguards that the amendment will give to the liberties of those detained.

The automatic review is most welcome, and it will not depend on an application. As I said, considerable concern was raised in Committee about the powers, and I know that organisations such as the National AIDS Trust have particular concerns on the matter. I am pleased that the Minister heeded some of the concerns raised in Committee. There has been a lot of discussion in the House on detention recently, and it is curious in some ways that the measures in this Bill received almost no attention. The powers are quite draconian; they may be necessary in certain circumstances, but we need to ensure that the public are protected.

Amendments Nos. 40 and 41 will amend the Public Health (Control of Disease) Act 1984 to limit the period for which a part 2A order could impose detention, isolation or quarantine of a person to a maximum of 28 days. The amendments will also limit any extension of those measures to no more than 28 days, and provide a power to shorten the maximum periods further by regulation. I am pleased that the amendment will restrict the period of any extension of a justice of the peace order for detention, isolation or quarantine to no more than 28 days at a time. Once again, that will help to safeguard the human rights of those who have been detained, and it will protect the public from any miscarriages of justice. Consequently, I fully support that amendment. There is also a provision to shorten the maximum periods by regulation. If there is an opportunity to do so, and the 28 days is not found to be necessary in practice, I hope that the Minister will take up that option.

Lords amendments Nos. 42 to 47 are largely technical. As someone who has not been a Member of Parliament for very long, I find it disappointing that such technicalities are not ironed out earlier. My hon. Friend the Member for Eddisbury (Mr. O'Brien) said in his remarks on the first group of amendments that much parliamentary time could have been saved by introducing such measures when the detail had been properly worked out.

The group that we are considering is entitled, "Public health protection", and public health staff will be greatly exercised by the implementation of some of the powers. The number of public health staff working in the NHS has more than halved in the past 10 years, since the Government came to power. In 1997, there were 3,000-odd key non-consultant public health staff, including nurses, nursing assistants and other key public health support workers. By 2006, that figure had fallen to 1,362—a 57 per cent. cut.

As the amendments point out, public health staff are crucial to implementing some of the powers and ensuring public safety, yet a 57 per cent. cut in staff means that they have less time to exercise those powers. Indeed, in 2002, Derek Wanless served a warning on the Prime Minister that a failure to tackle public health challenges would contribute to an extra cost of up to £30 billion a year by 2022. The Prime Minister's failure to tackle them forced the Government's chief medical officer Sir Liam Donaldson to raise the alarm last July that the country was following the Wanless report's worst case scenario. He noted:

> "There is strong anecdotal evidence from within the NHS which tells a consistent story for public health of poor morale, declining numbers and inadequate recruitment and budgets being raided so solve financial deficits in the acute sector."

Obesity rates, sexually transmitted infections and substance misuse are all rising. Indeed, since 1997, the proportion of boys aged two to 15 who are either overweight or obese has increased by 33 per cent. I recognise that the Bill contains provisions to do something to address that problem through weighing and measuring children. However, the statistics are shocking. The position has been exacerbated by the Government's abandonment in 1999 of the Conservative Government's targets of reducing obesity rates in the general population to 6 per cent. among men and 8 per cent. among women.

Figures have recently been produced on sexually transmitted infections. Since 1997, cases of syphilis have increased by 1,654 per cent. Cases of gonorrhoea have increased by 44 per cent., of chlamydia by 148 per cent., of herpes by 17 per cent., of genital warts by 17 per cent. and of HIV by 11 per cent. The Minister may laugh, but I doubt whether it is a laughing matter for those suffering from a sexually transmitted disease or those involved in public health protection who are trying to deal with the problems, which are not only serious but increasing.

Mr. Siôn Simon (Birmingham, Erdington) (Lab): Surely the hon. Lady is stretching the facts to make a rather cheap partisan point. All the percentages that she cites are recorded increases, which have been recorded because of the massive extra resources that the Labour Government have put into the NHS, unlike the Tories, who systematically bled it dry and almost destroyed it.

Anne Milton: I thank the hon. Gentleman for his intervention. It is interesting that he makes a party political point to knock me for making a party political point. I do not think that he will find that the increase in syphilis is down to extra recording. Syphilis has been recorded for quite some time. The issue is nothing to do with recording. To have sexually transmitted diseases at those levels in this day and age is very serious, and the issue is all about public health protection. On substance misuse, since 1997 the number of alcohol-related deaths has increased by 40 per cent. and the number of young people receiving treatment in hospital as a result of alcohol misuse has risen by 33 per cent. Smoking rates have fallen far more slowly since 1997 than in earlier years. In 2005, 24 per cent. of the adult population smoked, compared with 27 per cent. in 1998.

5.30 pm

Mr. Simon: Will the hon. Lady give way?

Anne Milton: I will give way one last time, but the hon. Gentleman failed to make an adequate point last time, so I hope that he will make one this time.

Mr. Simon: I am grateful to the hon. Lady for giving way again, but she failed adequately to respond to my point, so I will make it again, even more clearly. Is she seriously saying that if we greatly expand the number of health care professionals, as we have done, they will not inevitably produce, de facto, an increase in the number of recorded cases?

Anne Milton: I am indeed going to suggest that. Perhaps the hon. Gentleman should have listened to my point that public health staff have been reduced—not increased—by 57 per cent. I suggest that he check those figures and write me an apology tomorrow, because I am right.

Furthermore, health inequalities are crucial. Public health staff are the key to doing something about the rising rates of sexually transmitted infections, substance misuse and obesity. Although the inequality gap in circulatory disease mortality has declined and is on track to meet the target, the latest health inequalities figures show that the inequality gap in the infant mortality rate has not reduced by a sufficient amount to meet—

Mr. Deputy Speaker: Order. I am reluctant to stop the hon. Lady, but she must ensure that she relates her remarks specifically to the Lords amendments that we are discussing.

Anne Milton: Thank you very much, Mr. Deputy Speaker. The Lords amendments before us are grouped under the heading "Public health protection", and that is what we are talking about. We are talking about the duties placed on public health staff to detain and isolate people, and to protect the public.

Let me finish by saying that health inequalities can be changed by public health staff. The inequality gap in the infant mortality rate has not been reduced by a sufficient amount to meet the target. The inequality gaps in male and female life expectancy at birth have both increased since the baseline. If current trends continue, the target will not be met. The inequality gap in cancer mortality has declined since the baseline, despite a slight increase in the last period. The minimum requirements for the 2010 target have already been met. However, that is irrelevant, as the meaningful outcome measure is the five-year survival rate.

Although I welcome the Lords amendments, they place yet more duties on public health staff, who are struggling to meet the already onerous burden imposed by the rising rates of substance misuse and sexually transmitted infections, and, more worryingly than anything else, particularly from this Government, by the rising inequalities in health.

Lords amendment agreed to.

Lords amendments Nos. 38 to 47 agreed to.

Clause 126

ADMINISTRATION: GREAT BRITAIN

Lords amendment: No. 48.

Mr. Bradshaw: I beg to move, That this House agrees with the Lords in the said amendment.

Mr. Deputy Speaker: With this it will be convenient to discuss Lords amendments Nos. 49, 50, 63 to 65, 90 and 91.

Mr. Bradshaw: Lords amendment No. 50 introduces a new clause into the Bill to amend section 164 of the National Health Service Act 2006, which allows the Secretary of State to authorise any primary care trust or other person to exercise the functions of determining authorities in relation to the making or varying of a determination on the remuneration for those providing NHS pharmaceutical services. There is corresponding provision in the National Health Service (Wales) Act 2006.

The Government have repeatedly given a commitment, both in the public consultation and during the passage of the Bill, that the Secretary of State would continue to set the fees and allowances for the national elements of the community pharmacy contractual framework. However, we recognised the concerns raised during the passage of the Bill in this House and the other place that that might change in future. Amendment No. 50 addresses those concerns by ensuring that if, in future, a decision were made to appoint primary care trusts or other persons as determining authorities for the remuneration of those providing pharmaceutical services under section 126 of the National Health Service Act 2006, that may be done only through regulations. There are also a number of related consequential amendments as a result of amendment No. 50.

Mr. Stephen O'Brien: I welcome the opportunity to debate this group of amendments. I am sorry that we did not receive any clarification on the health in pregnancy grant in another place. I must express my concern about amendment No. 48, and by extension, amendment No. 49. On the previous group of amendments, the Minister chose not to make any response whatever to my hon. Friend the Member for Guildford (Anne Milton), who made an outstanding contribution. I am sorry if we are delaying his teatime, but we hope to get some responses on this matter, as this is our last opportunity to get the Bill right.

All the amendments now being proposed were initiated by the Opposition, supported by other Opposition parties, even as far back as the Committee stage in the House of Commons, but we are only now debating the proposals, to which the Government have at last acceded. The Government therefore have a serious duty not only to account for their conduct on the Bill but to ensure that the necessary clarifications are in place. They will have no further opportunity to do so, as no ping-pong is anticipated with this Bill.

Amendment Nos. 48 and 49 will, as the explanatory notes somewhat euphemistically put it, allow the Department for Work and Pensions and Her Majesty's Revenue and Customs

> "to share information to help develop and refine policies for pregnant women."

Can the Minister clarify what kind of data he envisages being shared? This proposal seems to add further confusion to the health in pregnancy grant. I will not detain the House by rehearsing the important and extensive arguments that we had in Committee—columns 455 and following—or in the other place, which showed clearly how little thought the Government appeared to have put into this measure, how little evidence it was based on, and how desperately Ministers seemed to be covering up for the Prime Minister's ignorance, after he told the House from the Dispatch Box that nutrition was most important in the last months of pregnancy—Government reports confirm that that is not the case—and that this measure would assist that, for which there is little evidence.

Angela Browning: As a member of the Public Accounts Committee, I am trying to imagine what effect this measure will have on our proceedings. Representatives of Her Majesty's Revenue and Customs appear regularly before the Committee, and I cannot imagine the kind of questions that I would put to the permanent secretary to find out how HMRC had aided the nutrition of pregnant women. Is that really HMRC's responsibility?

Mr. O'Brien: I dare say that many of us would like to be a fly on the wall, if not in the Public Gallery, of the next PAC meeting when my hon. Friend will have a chance to put precisely that question. It will be interesting to hear what answer is given, in view of the expected responsibilities. It is extraordinary to find ourselves in this situation, not least when the health in pregnancy grant has been tested by having gone through such a lengthy process in both Houses. By his own admission, the Minister found much of the debate on that grant somewhat frustrating. We support it in principle, but we do so on the basis of evidence that it is indeed in the early weeks of pregnancy, and often the time before conception, that is most important for the health—in the broadest possible definition—and the health care of women either just pregnant or seeking to become pregnant. How that will be understood in the rather clinical world of the PAC, I do not know. Like my hon. Friend, I remain fascinated and I remain to be convinced.

Angela Browning: Does my hon. Friend share my astonishment that although the Government conceded many points in Committee and have introduced many changes, this very issue—the pregnancy grant—was one of the core elements of the Bill, which was quite flawed, yet the Government appear not to have made any substantive changes to it? Does he share my concern that they have failed to address the problems in this crucial part of the Bill?

Mr. O'Brien: I really do, which is why amendments Nos. 48 and 49 rightly raise this issue at this stage of our proceedings. The Government have sought to skate over what they know to be a patent embarrassment, and a patent inability to produce evidence, because they know that the evidence is not there to back up the Prime Minister's statement from the Dispatch Box to a full House that nutrition was most important in the "last months of pregnancy". The Prime Minister cannot undo those words or, as Hillary Clinton would say, "unspeak" them, as they are there on the record. It is difficult to have an explicit debate on a subject which was kicked off on the wrong basis by the absence of evidence for a prime ministerial opinion.

We have not pinned down the function of the policy. On 6 December 2006, the then Chancellor of the Exchequer, now the Prime Minister, said:

> "I have received powerful representations"—

his normal code for trying to dismiss things that have not come out of his own head—

> "that in the last months of pregnancy, when nutrition is most important"—

I am quoting him—

> "and in the first weeks after birth, the extra costs borne by parents could be better recognised if we did more to help through our universal benefit—child benefit"—[*Official Report*, 6 December 2006; Vol. 454, c. 308.]

The Treasury has repeatedly refused to make those "powerful representations" available; it has been asked, but repeatedly refuses to do so. I have asked, but I have had no response, despite a raft of parliamentary questions perfectly properly asking for the evidence that the Prime Minister has specifically and explicitly relied on. Both the Treasury and the Department of Health have failed to provide any evidence that nutrition is most important at those times.

During the oral evidence sitting, as I am sure the Minister and my hon. Friend the Member for Tiverton and Honiton (Angela Browning) will remember, the Minister admitted, in contradiction to what the Prime Minister said, that the evidence suggested that the nutritional benefits specifically to the unborn child were more important earlier in the pregnancy. We agree with the Minister about that.

Angela Browning: Does my hon. Friend recall, as I do, that it was openly acknowledged in Committee that the money may not go on food and nutrition, even in the latter stages of pregnancy. It was suggested that the money could be used to pay off debts or buy other household items, so there is no guarantee at all that this money will benefit the unborn child.

Mr. O'Brien: I am again grateful to my hon. Friend, whose memory serves her well. I recognise, Mr. Deputy Speaker, that I must remain in order in speaking to amendments Nos. 48 and 49, but it is vital to try to find the basis on which this approach and the relevant amendments have been brought before the House, to explain where we are today. I recall what I thought was a rather inelegant parallel when it was said in Committee that Australia had had a similar scheme, which had perhaps rather unfairly been called the "plasma payment". It was being paid in the later stages of pregnancy, and rather than being spent on food and nutrition or vitamin supplements, it was used to buy wide-screen TVs. That was a most inappropriate use of something which was introduced for the ends that the Prime Minister is seeking to achieve. It was referred to when we were trying to understand the purpose of the health in pregnancy grant.

5.45 pm

Kelvin Hopkins (Luton, North) (Lab): I cannot accept that giving additional money to expectant mothers will simply be wasted. A high proportion of them will be caring people who want the best for their imminent child, and they will do their best to provide the right nutrients for themselves. Undoubtedly some people will be in debt, but for most mothers, additional money will inevitably spill over into a diet that is a bit better. The hon. Gentleman is rightly saying that there should be a much more substantial increase for expectant mothers and for mothers after the child is born. I certainly agree with the need for much higher child benefit.

Mr. O'Brien: I am grateful to the hon. Gentleman for helping us to recall what happened in Committee. Some of us who were a touch sceptical about the evidence sessions before they took place found that they helped a lot of us understand where the evidence that had inspired the Government to introduce the provisions might lie. That was particularly so in the case of the health in pregnancy grant. We all approached the grant in a benign way, with good will, because we wanted to see it happen.

The hon. Gentleman is entirely right that the grant must be appropriate. Where there are scarce resources, and in particular where extra resources are being made available, they should be targeted at those who can benefit most from that support. Pregnant women are clearly in that category. It is best that resources are well targeted to deliver the best benefit. The evidence we were seeking was where that best benefit would lie.

Rather than castigating those who might be presumed to misuse the money, on the contrary, I said to my hon. Friend the Member for Tiverton and Honiton (Angela Browning)—I hope that the hon. Gentleman heard me—that I thought it rather rough and unfair for the payment in Australia to be termed the "plasma payment". This country should be better able to trust people to do the best for themselves if they are given the opportunity to do so with extra resources. That is precisely what I was seeking to ensure was being said in response to my hon. Friend.

The big issue is that if there are scarce resources—if it is not possible to augment the payment proposed by the Government, who have identified what resources they are prepared to devote to the grant—we need to target them in the best way. The evidence does not suggest that it is best to put a nutritional opportunity at the tail end of a pregnancy, which is what the Prime Minister seemed to say when he was Chancellor of the Exchequer and that was announced, in effect, by voting the money, or the intended money. Rather, the evidence suggests that it should be provided in the early weeks, and prior to conception. That is the beef; that is the argument. We are all trying to achieve nutritional and health improvements.

I do not think that the hon. Gentleman and I are at odds on that. It was helpful that he intervened, because I have been able to make it clear that we are not in the business of castigating people. On the contrary, we want them to derive the best benefit from a potential opportunity. However, in the light of all the discussion, and the evidence to the contrary of what the Prime Minister sought to pray in aid, we believe that what is delivered in the Bill is still based on a false premise. We would be far better off using the evidence sessions, which were designed to help the Committee, to ensure that the best benefit is delivered in the early years and prior to conception.

Angela Browning: The point was made in Committee—I think that it was borne out by the evidence session—that there are fundamentals in the nutrition of the unborn child, particularly in the early months. They include when nutrients, particularly calcium, phosphorous and vitamin D, are needed to lay down the skeletal frame. By the 25th week the internal organs will be well formed, although one would hope that the foetus would gain in weight thereafter. Many of the deficiencies in underweight babies result from lack of nutrient in the early stages. That was clearly stated, yet the Government appear not to have taken any notice of it.

Mr. O'Brien: I bow to my hon. Friend's experience and knowledge. I think that those of us who are men should trespass rather carefully on this area, as much of the expertise is clearly on her side. There is no doubt that the evidence entirely supports what she has said. It would have been better if the Government had had the grace to accept that on this occasion the Prime Minister "misspoke"—let us be kind—and that there was no evidence to support what he had said was the genesis of this part of the Bill.

It is vital for future health that we consider this issue while discussing Lords amendments Nos. 48 and 49, because we shall not have a further opportunity to do so at this stage of the Bill's passage. I hope that the Minister will respond, and will not choose to remain in his seat as he did when we debated the last group of amendments. Those who must implement the Bill will then be able to argue for a health in pregnancy grant to be made at the time when it will be of most value. As my hon. Friend will be the first to remember, a series of amendments were tabled in Committee—under both chairmanships—relating to the number of weeks involved. The issue was not whether the grant should be paid when a woman was 25, 24, 23, 21, 16 or even 12 weeks pregnant; it was to do with the pre-conception stage and the very early weeks of pregnancy, the fact that nutritional information was vital, and the benefit that could be derived from it.

Kelvin Hopkins: I have every sympathy with what the hon. Gentleman is saying, and I think we are all trying to move in the right direction. I entirely agree that the earliest stages of pregnancy, immediately after conception, are crucial. It is vital that alcohol abuse, for instance, is avoided at that stage. The difficulty for the Government, however, is that it is not really feasible to award a grant to someone on the basis that she is hoping to become pregnant. I think the best that the Government can do is ensure that expectant mothers are advised to eat properly and not to abuse their bodies, and told that they will receive a grant later which will help them out once their pregnancies are confirmed. The Government cannot seriously provide a grant just because someone is trying to become pregnant.

Mr. O'Brien: The hon. Gentleman is right to highlight the practical difficulty, although I do not think it is an impossibility. After all, the NHS funds infertility treatment. That has quite an extensive scientific base. It involves diagnosis, and the assessment of people on the grounds of their wish to start a family, at the pre-conception stage. It is, however, more important for us to recognise that—as the hon. Gentleman also said—it is vital for good-quality assistance and advice to be given to women who seek to become or have just become pregnant, and who are abusing alcohol or drugs either on binges or on a regular basis. Nutritional impetus is crucial at that stage, because it may just provide an opportunity for the surmounting of what could otherwise be a much more serious health hurdle for both mother and unborn child.

The Treasury has repeatedly refused to provide me with the evidence that I requested, despite the raft of parliamentary questions to which I have referred, and the Department too has provided no evidence that nutrition is most important during the later stages of pregnancy. The Minister admitted that during the oral evidence session.

Given those policy shifts, I hope that the Minister will now explain exactly what stake Her Majesty's Revenue and Customs and the Department for Work and Pensions have in the grant. In view of HMRC's recent record on data handling, I am surprised that the Government are presenting any proposals that would help it to share data. That seems to be adding fuel to the fire, given its recent reputation and performance.

What guarantees can the Minister give that this is not simply a power to allow tax inspectors and the DWP's spies—that may sound pejorative, so I shall say its operatives—to harass pregnant women and new mothers? We need to be very careful that people do not feel oppressed by requests for information at what is often a sensitive and vulnerable time in their lives.

Lords amendments Nos. 50, 63, 64, 65, 90 and 91 make the nationally negotiated elements of the pharmacy contract—about which the hon. Member for Romsey (Sandra Gidley) knows a great deal on the basis of experience—subject to regulations rather than local determination. They result from an amendment tabled by Earl Howe on Report, and they will give pharmacists business confidence. I hope that the hon. Lady will tell us how she feels that the proposals can be reconciled with the need for a more devolved NHS, particularly in relation to pharmaceutical services.

Sandra Gidley: I do not intend to detain the House for long. I shall confine my comments to the amendments that are before us, rather than those that we may wish were before us.

I must come clean about Lords amendments Nos. 48 and 49. When I first read them, I thought, "This is a bit worrying: it effectively allows the Department for Work and Pensions and HMRC to share information." Then I realised that that provision was already in the Bill. It is probably remiss of us—I hold up my hand as guilty—not to have examined that in Committee. I share the concern expressed by the hon. Member for Eddisbury (Mr. O'Brien). As the matter was not discussed in Committee, it would be helpful if the Minister could clarify the nature of the information likely to be shared, and the mechanisms that exist for the limiting and auditing of information sharing so that the "health in pregnancy" reason is not given when some other purpose is being served. That would be reassuring, in the light of the public interest in data sharing and data security. If the Minister does not have the details to hand, I am sure that many of us would like to be given the information at some stage.

I welcome Lords amendment No. 50 and the consequential amendments relating to pharmaceutical services. I should record the fact that I am on the register of practising pharmaceutical chemists, and therefore have a potential interest. I welcome the reassurance that pharmacists will not necessarily find after investing in their businesses that local decisions will not support the services in which they have invested. It is difficult for companies to develop a strategy if numerous different provisions exist.

We need to be reassured that plans to devolve the arrangements further will be subject to further scrutiny, because the issue is not straightforward. However, people to whom I have spoken who were concerned about the original provision in the Bill are pleased about the amendment, and I thank the Minister for it.

Mr. Bradshaw: Like the hon. Member for Romsey (Sandra Gidley), I do not intend to repeat our lengthy discussions on the principle of the health in pregnancy grant—a principle that the Opposition opposed so strongly that they did not even bother to divide the Committee. I will, however, speak to Lords amendments Nos. 48 and 49.

Clauses 126(6) and 129(6) amend section 122 of the Social Security Administration Act 1992 and section 116 of the Social Security Administration (Northern Ireland) Act 1992. Those were included in the Bill with the express intention of ensuring that both the Department for Work and Pensions and the Department for Social Development in Northern Ireland could verify that a woman had been given the appropriate health advice by an appropriate health professional, in order to be entitled to the health in pregnancy grant. Work to develop the arrangements for administering the grant subsequently established that both the Department for Work and Pensions and the Department for Social Development in Northern Ireland in fact already had sufficient access to information under the existing provisions to verify whether the necessary advice had been given. Accordingly, clauses 126(6) and 129(6) are no longer necessary, so amendments Nos. 48 and 49 will remove those provisions from the Bill.

6 pm

Mr. Graham Stuart (Beverley and Holderness) (Con): The Minister himself has said that, from a nutritional point of view, money would be best spent earlier in the pregnancy. Can he explain why the grant is being given so late in the pregnancy?

Mr. Bradshaw: I recommend that the hon. Gentleman reads the *Hansard* of the Committee, where we discussed that at great length.

The work also established that there was no information-sharing system that would permit the disclosure of health in pregnancy grant data for the purpose of further developing social security policy for supporting expectant mothers. In order to facilitate policy development, Government amendments Nos. 48 and 49 add references to the health in pregnancy grant to existing information systems which permit information to flow for a broad range of Department for Work and Pensions activities, including social security policy development. That data would include statistical information such as the number of claims, regional distribution and the stages when claims are made.

Lords amendment agreed to.

Lords amendments Nos. 49 and 50 agreed to.

Before clause 138

NEW CLAUSE

Lords amendment: No. 51.

Mr. Bradshaw: I beg to move, That this House agrees with the Lords in the said amendment.

Mr. Deputy Speaker: With this it will be convenient to discuss Lords amendment No. 61.

Mr. Bradshaw: Members will recall that the previous time this Bill was before the House we undertook to address the issue of the application of the Human Rights Act 1998 following the decision in YL *v.* Birmingham city council. The effect of that decision is that residents whose care is publicly arranged do not have those rights we intended to put in place when we introduced the Human Rights Bill into Parliament. These amendments seek to address the immediate impact of the YL case for people receiving publicly arranged care in care homes.

It remains the Government's view that in general the provision of publicly arranged health and social care should be considered a function of a public nature. The Government will therefore continue to treat those exercising such functions as subject to the Human Rights Act. In particular, it remains the Government's firm view that independent providers of NHS care under the National Health Service Act 2006 are, as the law currently stands, exercising a function of a public nature.

The Minister with responsibility for human rights has committed to consulting in the near future on how to address the general issue of the definition of "public authority" in future, perhaps by means of legislation. The consultation process is the place and time to work out which functions should be subject to the Human Rights Act, and to work out how that can best be achieved. I am grateful to all those who have worked with the Government in preparing the amendment. I would particularly like to note the contributions of the British Institute of Human Rights and the Equality and Human Rights Commission. The amendment is a step along the road to addressing the issues around the scope of the Human Rights Act, but it is a very important step. It will provide the additional protection of the Act to some of the most vulnerable people in our society. I commend it to the House.

Mr. Stephen O'Brien: Lords amendment No. 51 makes local authority-funded private or voluntary sector care a function of a public nature under section 6(3)(b) of the Human Rights Act. It is important to note that privately funded individuals will still fall outside the scope of the Act. I would be grateful if the Minister also clarified the position of part-funders, which remains very unclear and therefore of grave concern to many who find themselves in that position.

Nor does the amendment address the many failings identified in Government policy as regards the Human Rights Act. The Joint Committee on Human Rights report on the subject charted failings, under articles 2, 3, 8 and 14 of the European convention on human rights, in malnutrition and dehydration, which is a prime example, but also in inadequate assessment of a person's needs; abuse, neglect and bullying; lack of privacy in mixed sex wards—another serious issue that

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many regard as a broken commitment by the Government lack of dignity, especially for personal care needs; too hasty discharge from hospital; fear of making complaints, a subject on which we touched during discussion of an earlier group of amendments; and age, disability and racial discrimination. Given all that has been discussed about equality matters in relation to recent legislative proposals, that is a continuing worry.

May I highlight, I hope for the benefit of the House, how important the matter is and set the context to show why the amendments matter and why the process was important. The Bill went through this House in Committee and on Report and then went to the Lords. It seems that that process has moved the Government's position. I pay tribute to the hon. Member for Hendon (Mr. Dismore), who has been a doughty champion for that approach, and to the hon. Member for Luton, North (Kelvin Hopkins), who was often supported by the hon. Member for Tamworth (Mr. Jenkins) in Committee It was important for the Government to listen we like to think they did to the Opposition's arguments. In this area, the Liberal Democrat spokesmen also made a significant and important contribution. Many of the amendments relating to that area were in their names. The Government seem to have come to a seriously and significantly modified view.

According to the Government, MRSA affected about 6,000 people in 2006-07, and C. difficile about 56,000. By contrast, in 2006-07, 139,127 patients were discharged from hospital in a state of malnourishment. This is not just a malnutrition issue it is also a human rights issue. The Joint Committee on Human Rights in its recent report "The Human Rights of Older People in Healthcare" noted that malnutrition and dehydration in care settings breached articles 2, 3 and 8 of the European convention on human rights. Figures cited in the Department of Health's own nutrition action plan show that the cost of undernutrition is estimated at £7.3 billion a year, and a recent *British Medical Journal* study reported that about 20 per cent. of patients in hospital are malnourished.

Angela Browning: I am listening carefully to what my hon. Friend says, but as this legislation brings together health and social care, is he concerned about malnutrition among those, particularly the elderly, living at home with packages of social care, as well as those who are in residential or hospital care? Malnutrition among the elderly can cause not only general unwellness but symptoms that mimic other diseases, and often those diseases are not then identified.

Mr. O'Brien: Precisely. My hon. Friend makes a powerful point, again from her own experience. That was discussed at some length with the Minister in Committee. Although there was an absence of common cause on the malnutrition issue, we recognised, particularly in the health care setting, where there are some statistics one can get hold of, that it has been extraordinarily difficult to get the under-nutrition, malnutrition, or inappropriate nutrition figures out of the social care settings, whether they are local authority, public sector or indeed private sector. Almost everyone knows that some people will arrive, whether it is into a social care setting or into a hospital setting, malnourished. It could be part of their condition. At the same time, the issue has been the rise in malnutrition among those who leave hospital.

The thing about social care homes is that we do not have the same statistics naturally, given that we are often dealing with the end of life on people leaving to measure whether greater malnourishment has taken place. The weighing and measuring issues, which are addressed in the Bill, are important. Most of us remember from our childhoods that weighing and measuring were a natural first step in almost all interactions with the health or care services, not least in relation to health visitors. That is relevant to an earlier intervention on health and pregnancy. Such issues are vital to the future health of the people of our nation.

Angela Browning: That is particularly the case for the elderly, because as the body ages it does not absorb so well key minerals and vitamins from food, and deficiencies in vitamins and minerals in the elderly can lead to serious health consequences. That applies regardless of whether the elderly are cared for at home with a social care package, in residential or nursing homes or in hospital, where during longer stays there can be serious consequences.

Mr. O'Brien: My hon. Friend is right. Interestingly, her two most recent interventions demonstrate how this point applies at all vulnerable stages of life, both in the early and later years. Some of us rather wish it might also apply in the middle stage, as then there would be some solution to the difficult problem of controlling weight.

This is a serious issue. It is important that staff have knowledge and training, both in the care setting and in the hospital setting, where nurses are involved. They must recognise the importance of nutrition and have knowledge of it, and they must be able to monitor it. An appropriate amount of time must be available to care for people by ensuring that they eat regularly and eat the right things. People must be monitored for vital nutritional and vitamin values, particularly as an illness or the condition of ageing often means that digesting becomes more difficult.

This is a human right, and we have been anxious to understand how that would have a direct bearing on Lords amendments Nos. 51 and 61. The *British Medical Journal* figures that I recently gave reaffirm those provided by BAPEN's the British Association for Parental and Enteral Nutrition screening week, an initiative that the Government claimed to support. However, the Department of Health chose instead to describe the figures as,

"hopelessly out of date or misinterpreted".

That was a surprise. Furthermore, the Government's own figures, provided to me through a written parliamentary answer, showed that the number of under-nourished patients being discharged from hospital had risen by 84 per cent. since 1997. There has been a further discussion with the Minister on that point, and on what is described as an episode and how the percentages are reached. I acknowledge that there was some clarification of some of these statistics, but I believe that the Minister accepts that there is a vital issue here that must be considered. The question is whether the Lords amendments will be of assistance in respect of this prime example of a matter that is seen as a health issue but is in fact best described as a human rights issue. To do so enables us to define people's entitlement, which in turn gives them rights. Rights confer power and are enforceable, whereas people have their health and care opportunities handed down to them from on high.

Mr. Graham Stuart: My hon. Friend spoke very quickly just now, so I may have misheard. It sounded to me as if he said that there had been an 84 per cent. increase in the number of patients leaving hospital suffering from malnutrition—and that in the 12th year of this Labour Government, with a near trebling of expenditure on the NHS. I wish through him to ask the Minister to explain to the House how that could have happened. I agree that being fed and looked after, particularly when one is elderly and vulnerable, should be recognised as a human right, but we need to have practical steps on the ground, rather than just more high-minded rhetoric.

Mr. O'Brien: As I said, there has been some further discussion about the precise way the figure of 84 per cent. was reached, but through written parliamentary questions and the answers to them we realised that this was not just an anecdotal issue of the sort that we as Opposition Members are, of course, always being fed. This became a serious issue, and it was highlighted in Committee. The question is whether the Lords amendments will give us an opportunity to address the issue. I hope the Minister will explain whether the 84 per cent. figure has been reduced, and how that is worked out. What matters, however, is that the trend is very worrying. A health service and social care service should not lose sight of the simple things that are very easy to deal with if the appropriate measures and expectations are in place.

Mr. Stuart: On a positive note, may I, through my hon. Friend, congratulate Hull royal infirmary? I recently visited it and raised the issue of malnutrition. It was taking it seriously. It was using a coloured plate system to identify patients at risk and was putting in place a series of measures to tackle the problem and ensure that there is not the increase in malnutrition in hospital in our local area that we have, sadly, seen across the country under this Government.

6.15 pm

Mr. O'Brien: I am glad to hear that. I was recently in the Hull, Haltemprice and Howden area, but unfortunately I did not have the opportunity to visit Hull—although I was, of course, pleased that other positive results came from that part of the world. My hon. Friend raises an important point. I must not get diverted too far from the topic of the amendments, but let me say that the red plate system, or the red tray system of Westminster city council, is a marvellous way of ensuring that those who need extra attention in gaining nutrition due to either lack of appetite or lack of will get that attention. It means that the caring staff have the opportunity to give that attention without the vulnerable person losing face or feeling that they have been singled out, and it works very well.

There is little evidence that the Government have decided to tackle this problem. Since the new year, they have failed to take the opportunities afforded by the publication of vital signs indicators for primary care trusts, the responses to the payment by results consultation and this Bill to demonstrate their intention to do so. None of the 83 vital signs targets relate to under-nutrition. It has been pointed out to the Department of Health that the lack of recognition for support services—such as for nutrition—in payment by results acts as a barrier to the commissioning of effective care pathways. Most damning was the voting down in Committee of an amendment that would have put tackling under-nutrition on the same statutory footing as tackling hospital-acquired infections. We could have avoided that situation. I was grateful for the full support that we received for that Conservative proposal from the Liberal Democrats, but, unfortunately, the Government failed to take it up, and we still do not see it. However, I think our rescue may come through the amendments in this group that give us the Human Rights Act application. Our approach should be to come from the human rights angle, rather than for the Bill to put under-nutrition and malnutrition on the same footing as hospital-acquired infections, however important they are. The latest available statistics show that MRSA and C. difficile affected about 62,000 people, whereas the number of people in a state of malnutrition when discharged from hospital only—forgetting the care settings for now—was more than double that at 139,127. We are not wrong to be deeply exercised about that, and to be critical of the Government because there is an opportunity to improve the health and well-being of so many people.

Mr. Stuart: As it has been recognised that these are human rights, how does my hon. Friend think that particularly vulnerable elderly people could use this right to take action in either a social care or health setting?

Mr. O'Brien: My hon. Friend raises an important point, although it would be straying outside the scope of the amendments to address the detail of that, and I am conscious that a Member who might well be able to provide an expert answer and who introduced a private Member's Bill is present—the hon. Member for Hendon (Mr. Dismore). I think he would agree with me if I were simply to reassure my hon. Friend that what is best for those who both need the rights and may be in a vulnerable position—particularly in the absence of an independent and trusted body such as the community health councils, which used to be great hand-holders for those charting their way through the labyrinth of the NHS while still vulnerable and in need of it—is best summed up by the term "an advocate". What they need is somebody who can on their behalf prosecute the chance for them to exercise the rights and entitlements that come from the broad ambit of a human rights approach to these matters.

Given the wider issues, it is a great shame that we have not had the opportunity to explore this issue, or the legislation addressing it, in depth in a Commons Committee stage. I dare say that that sentiment will be expressed by a number of people who have spent a lot of their time seeking to raise the issue in its broader sense. The Solicitor-General, herself a human rights lawyer, talked out the private Member's Bill introduced by the hon. Member for Hendon on 15 June 2007. She could have allowed it the detailed scrutiny and consideration of a Committee stage—I supported that approach, as I

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know my colleagues were keen to do. As the Government waited until the Lords stages to table these amendments, we have been denied the opportunity of that detailed scrutiny.

In discussing this final group of amendments, as the programming constraints that were approved in the earlier motion still give us the time to do, I hope that a couple of hon. Members who have been steadfast in seeking to champion this matter may have the opportunity to catch your eye, Mr. Deputy Speaker. This particular area may thus be linked with so many of the debates that took place on the private Member's Bill.

Kelvin Hopkins: I am pleased to have the opportunity to speak briefly to the amendments, because I had the pleasure of moving amendments in Committee on these matters. At that time, we did not move the Government very far, but I was pleased that the Minister later agreed to meet a delegation, including a consortium of outside organisations, as well as myself and others, to discuss the issues and has moved in a positive direction. I am grateful for that, as I am sure others are.

The problem we face is that the Human Rights Act 1998 applies to citizens in relation to the state, and that self-funders in private care homes do not have a relationship with the state in that context. It seems that we are moving towards a situation in which the others—those who are funded by local authorities in private care homes—will be able to exercise their human rights under that Act, as will all those in the few remaining public sector care homes.

My concern is about self-funders in private care homes. One can foresee an anomalous situation involving two residents in adjacent rooms, whereby one is funded by the state and protected by the Human Rights Act, and the other is not. That would clearly be unsatisfactory, and one would want to see some change. Such a situation arises from two changes that have taken place over the past few years, both of which I opposed. Although it was not opposed by the three major parties, I opposed the large-scale privatisation of care homes. If they were all in the public sector, there would not be a problem; and if all care home residents were funded by the state, as had been recommended by the royal commission on long-term care, there would not be a problem, but such people are in a double bind. One or other of those things does not apply to them, and thus they are in difficulty.

As I have said many times, in this Chamber and elsewhere, I would like a rapid move towards full state funding for all care home residents, paid for out of general taxation. I hope that at some future stage that will come to pass—I would like to think it will happen under my own Government—and I would also like the re-establishment of a strong public sector care homes sector.

Angela Browning: I have some sympathy with the hon. Gentleman. Does he recall that comparative standards in residential care in the public and the private sectors were discussed in a Committee evidence session and that, unfortunately, although there are always problems in both sectors, the comparison did not show the public sector in a very good light?

Kelvin Hopkins: The hon. Lady is right. Individual care homes perform very differently in both the public and private sectors, and since that session there have been public reports of serious failings in the private care sector too. Many people, particularly those who cannot speak for themselves, have been suffering inadequate care. I think that we do not care enough, or properly, for our elderly and vulnerable, and that comes down to resources. The public sector care homes were starved of resources for a long time. Many of them are not modern, and they have been understaffed and under pressure. The local authorities, which have been under the financial cosh for a long time, have been doing their best, but perhaps they have been squeezing funding for care homes to the point where some of those homes have not been very good.

My own experience of a care home in my constituency, where my mother-in-law spent the last days of her life, was wonderful: the staff were directly employed and lived in the community, and the people in the care home came from the community. The care home was warm, friendly and caring, and my mother-in-law was as happy as she had ever been, given that she was nearing the end of her life.

Mr. Stephen O'Brien: The hon. Gentleman might be coming on to this, but he will have heard me say that one of our gravest difficulties in contending with this issue is part-funders. That is because their relationship comes partly through taxpayer support, but their contract is as a private individual in the private sector. Does he have some thoughts on that?

Kelvin Hopkins: The hon. Gentleman raises a further complication. Again, if everyone were fully paid for by the state, that complication would not arise, and that is the direction in which we want to move, but the Government will doubtless have to examine it.

One Conservative Back Bencher talked about a lack of care in the health sector in general. Although this Government have increased spending on health by enormous sums, our spending levels remain considerably behind those of Germany and France. I believe that the latest figures show that France spends about 2.5 per cent. more of its gross domestic product on health than we do—that is equivalent to £50 million per constituency. If we had spent an extra £50 million per constituency on health in every one of the past 30 years, we would be in a rather different position. Resources are still not as plentiful in the British health service as they are on the continent of Europe—in Germany and France—in terms of scanners, nurses, beds and so on. I want us to move further in their direction, with even more generous funding for health than we have now.

I want us to move towards the levels of funding in France and Germany. It is noticeable that in France one does not have to wait to see a doctor or to have an operation—I know from friends who live in France that that is the position. I want Britain to be like France; I do not want us constantly to pretend that the situation is much better than it is. It is not as good as it should be, even though it is a lot better than it was in 1997; we have made considerable progress since then. I urge my Front-Bench team to continue to press ahead with additional health service spending and to move towards the levels of expenditure in France and Germany. I am talking about not only the money, but the quality of provision that such funding will make possible.

We will have this continuing problem with the Human Rights Act because of these anomalies in respect of self-funders. I have never supported the idea of self-funding or private care homes. We need proper funding and democratically accountable local care homes built into the community, where people are directly and permanently employed from the community. I am talking about people whose own relatives go to those care homes, as was the case in the care home in my constituency that I mentioned, which is now sadly closed. There was pressure from government to close a public sector care home because it did not have built-in, en suite facilities and all the other care home standards that the Government wanted. That care home has now gone, and the staff who worked in it have retired or moved on; that body of people who did such a wonderful job is no longer there. May I add that they were all solid trade unionists, belonging to my trade union, the GMB, and that some of them were even members of my party? They were wonderful people.

That is the sort of care that I want, where people are community-based and there is accountability to the local authority. People should be publicly funded in proper, well-funded care homes that are free to all at the point of need. We are some way from having that, but when we do, the Human Rights Act will apply to all care home residents because they will all be in a relationship with the state in terms of their care. I have made these points before, and I hope that my hon. Friend the Minister does not mind hearing them again. I thank him for the progress on this issue and I will support the amendments.

Sandra Gidley: I, too, welcome the amendments, and we should not let the other place take all the credit. It was clear from discussions in Committee that the Minister was sympathetic to the arguments that some of us were making. I was also part of the delegation mentioned by the hon. Member for Luton, North (Kelvin Hopkins). It was clear that the will existed to make the changes, and the Minister regretted that he did not have time to bring it to the Commons because work was needed on the detail.

6.30 pm

The matter of the significant proportion of care home residents who are privately funded is still outstanding. We often give the example of two people sitting side by side in a private care home, one funded by the state and the other not, and the differential between them. That is clearly unfair and needs to be tackled, but the amendment—which will affect those who are publicly funded—will make staff in care homes think about all aspects of human rights, including those raised by the hon. Member for Eddisbury (Mr. O'Brien), and they are unlikely to distinguish between residents on the basis of how they are funded. The amendment will therefore drive up standards overall.

We must not be complacent. Some homes do not have any publicly funded residents, but they may have residents who qualify for a contribution to their nursing costs. Presumably—the Minister could perhaps clarify the point—because those people are receiving that contribution, the Human Rights Act could be used to redress any problems that they might have. In that case, we may be worrying unnecessarily in some cases.

I thank the Minister for listening on this issue. It has been raised in several forums, including in discussion on the equality Bill, and I am delighted that we have made progress.

Mr. Andrew Dismore (Hendon) (Lab): I too welcome the amendments and the remarks made by the hon. Member for Eddisbury (Mr. O'Brien) and his colleagues, who have welcomed this approach to the Human Rights Act 1998 and the European convention. That is a breath of fresh air as we do not always get that attitude from the Opposition on the benefits of that legislation. The hon. Gentleman cited with approbation my Committee's report on older people in health care—both in hospitals and in care homes—although I do not propose to go through all the examples we described in that report.

The hon. Gentleman was asked about enforceability and he batted the question over to me. The answer is twofold. First, and most importantly, if the Act does apply in these circumstances, it strengthens the hand of the staff involved in arguing for more resources and better instructions and in standing up for residents against management if asked to do things that are not human rights compliant, perhaps relating to dignity and respect, because of lack of time or ability to deal with a particular patient. Secondly, it enables a general raising of standards, which is the only way we will be able to ensure that the human rights of the elderly are respected, whether in care homes or hospitals.

The rights will also be enforceable through judicial review. Indeed, the issue arose because of a judicial review in the YL case, in which Mrs. YL was about to be evicted from her care home in Birmingham after a dispute, and the House of Lords found that she did not have any enforceable rights in that case. Luckily, that case was resolved amicably after the damage had been done in the House of Lords, so Mrs. YL did not lose out. The law was however put in limbo by that decision.

Mr. Stephen O'Brien: The hon. Gentleman is right on those two points, but on the second point, it will be important to ensure that the advocacy provision is properly framed.

Mr. Dismore: I agree, and our report focuses on recognising the fact that using the law through the court process will not bring about the substantive institutional and attitudinal change that addressing the issue through the Human Rights Act should achieve. It can be used as a tool to lever up standards more generally. Advocacy—for example, through the patient advocacy and liaison services in hospitals—is part of that. Indeed, in NHS hospitals we should not have a problem, because they are carrying out a public function, so the patients are already protected by the Act. Examples, such as cases of malnutrition, were given, and good practice has spread rapidly and widely as a result.

The problem arises in relation to care homes but goes way beyond, and involves the impact of the YL case across what we thought were the public services, but that have been privatised or contracted out. The issue has exercised my Committee, and we have produced two separate reports on the meaning of "public authority". Earlier this year, we held a mini conference which was attended by Ministers, non-governmental organisations and others to discuss the best way to try to resolve the

[Mr. Dismore]

YL issue. I have also introduced a private Member's Bill on the issue two years running, and I shall bring it back in the next Session, if it does not become law this Session, to keep up the pressure for wider reform.

The amendments are very narrow. They would merely restore the position—of care homes only—before the YL case, and would affect only publicly funded residents. I think that that would include part-funders because of the way the amendment is phrased, but perhaps my hon. Friend the Minister can confirm that. As my hon. Friend the Member for Luton, North (Kelvin Hopkins) suggested, that creates an anomaly whereby two residents in neighbouring rooms could be in different positions vis-à-vis their legal rights. I suspect that that will not, however, make much difference in practice to the service that they receive from the care home, because it would be very difficult for staff to treat one patient better because he or she was covered by the Human Rights Act, so standards will be generally levered up in any event.

The issue of the YL case remains unresolved. I tabled an amendment on Report, and my hon. Friend said that the Government would consider it. I am pleased that they did so and tabled this amendment in the Lords. He has been as good as his word in addressing this issue, but the basic problem remains. What is happening is that it is being addressed issue by issue. For example, the other place is considering amendments to the Housing and Regeneration Bill in relation to the applicability to housing associations. In a recent court case—it may be going to appeal so I shall not give details—the High Court found that housing associations were covered by the Human Rights Act, but whether that will be sustained on appeal remains to be seen. It is another open question. Every area of public service in which some elements are contracted out or privatised has this problem, but it is only being addressed piecemeal. We need a comprehensive solution.

The amendment is welcome as an emergency provision to deal with an urgent problem that has arisen out of the YL case, but it does not resolve the overall position for care homes generally or the meaning of "public authority". I hope that when my hon. Friend the Minister replies, he will be able to give us an indication of the Government's plans for dealing with the general consequences of YL across the piece for care homes and public services more generally. How do the Government propose to consult and take the issue forward and, more importantly, to what time scale will they do that?

There were indications in the other place that, for example, the original intention behind the Human Rights Act, which was that such cases would be covered, might be under question. For example, on housing, the Minister in the other place suggested that it was never intended that housing associations would be included within the meaning of "public authority". However, that was clearly the intention, as shown by the debates in both Houses on the Human Rights Bill.

Kelvin Hopkins: Is my hon. Friend suggesting that a category of private institutions with private funding could be regarded as a public service—that a group of such organisations might be defined in law as a public service even though they are privately run and funded?

Mr. Dismore: I am not sure that I would approach it from that direction. I would approach it from the other direction, which involves considering the service that is being delivered, its nature and where it comes from—and how it is paid for plays a large part, too. If my hon. Friend looks at my private Member's Bill, which is still live—although I suspect it will not make much progress—in October—he will see that in it I have set out a checklist of factors to consider. The more factors that apply, the more likely the institution is to be a public authority, whereas the fewer factors that apply, the less likely it is to be a public authority. The best way of approaching the overall picture probably is to consider the functions—who pays for them, who delivers them and the nature of the tasks being performed.

There are a number of different formulations. I do not suggest that mine is ideal, but I come back to the simple point that we must have a comprehensive answer on the meaning of "public authority" in these circumstances. Although my hon. Friend the Minister's amendment is extremely welcome, in that it deals with the urgent problem of funded care home residents, it does not deal with the much wider issue. We await some urgent announcements from the Government on how they will take the issue further forward. I hope that my hon. Friend will be able to focus on that when he replies. I welcome what he has done so far—so far, so good—but there is an awfully long way to go.

Mr. Bradshaw: With the leave of the House, Madam Deputy Speaker. I was hoping to respond to my hon. Friend the Member for Hendon (Mr. Dismore), but I have just been sent a rather confusing note that slightly contradicts my introductory comments about the timing of the consultation on the scope of the Human Rights Act. I originally said that we would consult on the subject in the near future. My hon. Friend will probably know this better than I do, as he follows these things much more closely, but the note says that we are already consulting. I am sure that I shall be able to write to him with clarification.

Whether we are already consulting or will consult soon, that consultation is the context in which to have the broader debate about which legislative vehicle should be used and what constitutes a public provision. The bill of rights and responsibilities announced in the draft legislative programme—of which the consultation, whether it has started or not, is part—would provide the legislative vehicle that my hon. Friend seeks.

My hon. Friend and a number of hon. Members asked about the position of part-funders, about which there is still a misunderstanding. The amendment applies to all whose residential social care is arranged by a local authority; it is not to do with funding. For example, the Government's view is that when a patient receives NHS nursing care, that is already a public function covered by the Human Rights Act, as I said in my opening remarks.

Lords amendment agreed to.

Lords amendments Nos. 52 to 91 agreed to.

Prevention and Suppression of Terrorism

Motion made, and Question proposed.

That the draft Terrorism Act 2000 (Proscribed Organisations) (Amendment) (No. 2) Order 2008, which was laid before this House on 2nd July, be approved. —*[Mr David.]*

6.45 pm

The Minister for Security, Counter-Terrorism, Crime and Policing (Mr. Tony McNulty): I apologise hugely if I detained the House for any time. I had to hang around for about an hour and a half, but, naturally, when the debate was called it was the one time that I had popped out. None the less, to business.

The international terrorist threat to the UK, our interests abroad and our international partners remains severe and sustained. The Government are determined to do all we can to minimise the threat, including using proscription to prevent terrorist organisations from operating in the UK by inviting support, raising funds or otherwise furthering their objectives. The purpose of the order, if the House and the other place so approve, is to add to the list of 45 international terrorist organisations that are already proscribed. We propose to do so by substituting the proscription of the Hezbollah External Security Organisation with a new listing covering its entire military wing. This is the seventh proscription order made under the Terrorism Act 2000.

Section 3 of the 2000 Act provides a power for the Home Secretary to proscribe an organisation if she believes it is concerned in terrorism. That is achieved by adding the organisation to schedule 2 to the Act, which lists the proscribed terrorist organisations. The Act specifies that an organisation is concerned in terrorism if it commits or participates in acts of terrorism; prepares for terrorism; promotes or encourages terrorism, including the unlawful glorification of terrorism; or is otherwise concerned in terrorism.

The Home Secretary may proscribe an organisation only if she believes it is concerned in terrorism. If that test is met, she may then exercise her discretion to proscribe the organisation. When considering whether to exercise that discretion, a number of factors are taken into account that were first announced to Parliament in 2001: the nature and scale of an organisation's activities, the specific threat that it poses to the United Kingdom, the specific threat that it poses to British nationals overseas, the organisation's presence in the United Kingdom and the need to support other members of the international community in tackling terrorism.

Proscription is a tough but necessary power and its effect is that the proscribed organisation is outlawed and is unable to operate in the UK. The consequence of proscription is that specific criminal offences apply to a proscribed organisation. They include: membership of the organisation; the provision of various forms of support, including organising or addressing a meeting; and wearing or displaying an article that indicates membership of the organisation. Further criminal offences exist in relation to fundraising and various uses of money and property for the purposes of terrorism.

Given the wide-ranging impact of proscription, the Home Secretary exercises her power to proscribe an organisation only after thoroughly reviewing all the available relevant information on the organisation, which includes open source material as well as intelligence material, legal advice and advice that reflects consultations across Government, including with the intelligence and law enforcement agencies. Decisions on proscription are taken with great care by the Home Secretary, and it is right that both Houses must consider the case for proscribing new organisations.

The Hezbollah External Security Organisation, a unit of the military wing, was proscribed in 2001 because of its involvement in terrorism outside Lebanon. We now have evidence that further parts of the organisation are directly concerned in terrorism, which is why the entire military wing, including the External Security Organisation, is specified in the order. I am sure hon. Members will appreciate that I am limited in what I can say about the evidence in support of that belief, as much of it is intelligence material and of a sensitive nature.

Mr. Michael Ancram (Devizes) (Con): To their great relief and even joy, the people of Lebanon finally have a Government of national unity again. Hezbollah is part of that Government, so what contribution to that peace process does the Minister think that he is making by proscribing parts of that organisation at this time?

Mr. McNulty: As far as I am aware, no one who is involved in the other parts of Hezbollah and who is part of that welcome new Government has anything to do with the External Security Organisation or any other aspect of the military wing of Hezbollah. We welcome the advent of the new Government, and at the start of these proceedings, I was very careful to read out the criteria under which we proscribe organisations. The right hon. and learned Gentleman will know that Hezbollah has definitive political, social and humanitarian wings that perform entirely legitimate functions in Lebanon. That is why they are not part of this order. However, given all the information that we have to hand, as well as the advice that we have received and the discussions that we have had, it is right and proper in the context of the criteria set out in the Terrorism Act 2000 that we proscribe the entire military wing and not just the External Security Organisation. We will continue to maintain the distinction between that wing and the humanitarian, social and political parts of Hezbollah.

Mr. Ancram: I thank the Minister for giving way again. It is important that we get our distinctions correct. How does he define the military wing of Hezbollah? It is a movement that sometimes finds itself involved in terrorism or violence, but at other times is involved in politics.

Mr. McNulty: The right hon. and learned Gentleman takes a great interest in these matters and will know that there are distinct parts of Hezbollah. That is the information that we have. We proscribed the External Security Organisation in 2001, but we now want to proscribe the broader military wing. People involved in aspects of Hezbollah activities that, according to the criteria of the Terrorism Act 2000, are found to support or act as a supplicant to the entire military wing will be dealt with under the offences that I have outlined.

The right hon. and learned Gentleman makes an entirely reasonable point, and it is a consideration that the Government have to take into account. However, the criteria are clear, as are the offences that follow on

[Mr. McNulty]

from them. The evidence that we have is also clear and, in that context, it is right and proper that I bring this order before the House. However, I can say unequivocally that Hezbollah's military wing is providing active support to Shi'a militant groups in Iraq, including Jaysh al-Mahdi, which has been responsible for attacks on both Iraqi civilians and coalition forces. That includes providing training in the use of the deadly explosively formed projectiles used in roadside bombs. Although, as I have said before and for obvious reasons, I am unable to go into the full detail of the evidence, I can inform hon. Members that Hezbollah's support for insurgent groups in Iraq was confirmed when coalition forces captured a senior operative, Ali Musa Daqduq, in Iraq on 20 March 2007.

Daqduq is a Lebanese national who served for 24 years in Hezbollah. In 2005, he was directed by senior Lebanese Hezbollah military commanders to train Shi'a groups in Iraq. Hezbollah's military wing is also providing support to Palestinian rejectionist groups in the occupied Palestinian territories, including Hamas and Palestinian Islamic Jihad. The proscription of Hezbollah's military wing will contribute to making the UK a hostile environment for terrorists and their supporters. It will signal our condemnation of the support that Hezbollah provides to those who attack British and other coalition forces in Iraq, as well as Iraqi civilians. It will support our international partners in disrupting terrorist activity in the occupied Palestinian territories. It will also send a strong message that the UK is not willing to tolerate terrorism, either here or anywhere else in the world.

I return to the point made by the right hon. and learned Member for Devizes (Mr. Ancram). The House will be aware that, alongside its military operations, Hezbollah performs legitimate political, social and humanitarian roles in Lebanon. Proscription is not targeted at, and will not affect, those legitimate activities, but it sends a clear message that we condemn Hezbollah's violence and support for terrorism. We continue to call on Hezbollah to end terrorist activity, abandon its status as an armed group and participate in the democratic process on the same terms as all other Lebanese political parties.

I have said already that the Government recognise that proscription is a tough power that can have a wide-ranging impact. Because of that, there is an appeal mechanism in the legislation. Any organisation that is proscribed, or anyone affected by the proscription of an organisation, can apply to the Home Secretary for the organisation to be de-proscribed. If that request is refused the applicant can appeal to the Proscribed Organisations Appeal Commission, a special tribunal that reviews whether the Home Secretary has properly exercised her powers to refuse to de-proscribe an organisation. The POAC can consider the sensitive material that often underpins proscription decisions and a special advocate can be appointed to represent the interests of the applicant in closed sessions of the commission.

Mr. Ancram: I am grateful to the Minister for allowing me to intervene again. Has he consulted his French colleagues on the proscription of Hezbollah? They have invited members of Hezbollah to Paris for talks.

Mr. McNulty: With respect, I can tell the right hon. and learned Gentleman that my French colleagues have not invited members of Hezbollah's military wing to talks of any description whatsoever—

Mr. Ancram *indicated dissent.*

Mr. McNulty: The right hon. and learned Gentleman shakes his head, but there is a clear distinction—not least on Hezbollah's own terms—between that organisation's social, political and humanitarian wings, and its military wing. That is very clear.

Given the evidence of the military wing of Hezbollah's direct support for terrorism in Iraq and the occupied Palestinian territories, I believe that it is right that we continue to proscribe the External Security Organisation and that we extend the existing proscription to cover Hezbollah's entire military wing.

I commend the order to the House.

6.56 pm

Mr. David Ruffley (Bury St. Edmunds) (Con): Under part 2 of the Terrorism Act 2000, the Secretary of State has the power to proscribe any organisation that commits or participates in acts of terrorism, prepares for terrorism, promotes or encourages terrorism or is otherwise concerned in terrorism.

Proscription is a very tough power. Any organisation that is on the list of proscribed organisations is outlawed in the UK. It is a criminal offence for a person to belong to, or encourage support for, a proscribed organisation. It is a criminal offence to arrange a meeting in support of a proscribed organisation, or to wear clothing or to carry articles in public that arouse reasonable suspicion that a person is a member or supporter of a proscribed organisation. Proscription also means that the financial assets of the organisation become terrorist property and can be subject to freezing and seizure.

For those reasons, Parliament obviously must take very seriously its role in scrutinising those organisations to be put on a proscribed list. The failure to proscribe an organisation concerned with terrorism could allow it to gain a foothold in the UK, in particular to recruit and raise funds. That would undermine our national security, and I join the Minister in reiterating the Opposition's strong belief that we need tough anti-terrorist laws. That view is only confirmed when we think of the anniversary of 7/7 and the havoc wrought in this country's capital city on that day. Nor must we forget the fear felt by many people in this country when they read news reports of the attempted atrocity in the Haymarket some months ago. Terrorism is a perpetual threat in this country, and Her Majesty's Opposition are strong in their belief that tough laws will be required to protect the public. I know that that is the view of Her Majesty's Government.

Keith Vaz (Leicester, East) (Lab): The hon. Gentleman is right to talk about the draconian implications of proscription. Does he agree that the ability given to organisations to challenge their inclusion in the list is vague? Should there not be much more clarity about how that can be challenged?

Mr. Ruffley: I am grateful to the right hon. Gentleman but, to be honest, that is not something that I have reflected on in depth. I do not propose to explore that issue or ventilate my thoughts on it in this debate, but it is certainly an interesting question, and I am sure that the Minister will want to respond to it.

As I was about to say, failure to proscribe an organisation that turns out to be violent and to have terrorist intent could threaten British citizens on our soil, but equally, proscribing an organisation mistakenly or inappropriately could tie up significant resources. The resources available to our security services are, of course, finite, and must be targeted properly. It is important to make that point. This is an important order, and Her Majesty's Opposition will not oppose it tonight. However, we need to understand the Minister's precise rationale for bringing it forward. I put my questions to him in a spirit of honest intellectual inquiry, but I repeat that Conservative Members do not oppose the order.

It might be useful to recap some of Hezbollah's history, and to say how it comes about that we are debating the proscription of the whole of its military wing in this country. Hezbollah is a political and military organisation. The group was first formed in response to the Israeli invasion of Lebanon in 1982. The group's military wing, The Islamic Resistance, is believed to have between 500 and 600 full-time fighters—some estimates put the number considerably higher—and to be able to call on many more thousands of reserves. During the 2006 conflict in Lebanon, Hezbollah showed that it is armed with rockets that can reach into northern Israel.

Hezbollah is known or suspected to have been involved in anti-western and anti-Israeli terrorist attacks, including the suicide truck bombings of the US embassy and the marines' barracks in Beirut in 1983, the bombing of the US embassy annexe in Beirut in September 1984, and the attacks on the Israeli embassy in Argentina in 1992 and on an Israeli cultural centre in that same country in 1994. In 2000, Hezbollah operatives captured three Israeli soldiers and kidnapped an Israeli non-combatant. Jane's Terrorism and Insurgency Centre recently suggested that Hezbollah has a new, additional presence in Iraq, and on 16 April 2008, UN Security Council resolution 1701 was passed, calling for armed militia groups, including the likes of Hezbollah, to disarm.

I turn briefly to this Government's history of proscribing parts of Hezbollah's military wing. In March 2001, the Hezbollah External Security Organisation, part of the broader military wing of Hezbollah, was added to the list of proscribed organisations under the Terrorism Act 2000. The order before us, which was laid before Parliament on 2 July, proscribes the military wing of Hezbollah in its entirety; that is the change to which we are invited to accede today. The military wing of Hezbollah includes the Jihad Council and all units reporting to it, including the Hezbollah External Security Organisation.

Mr. Ancram: The reason why I am asking questions is that although we might debate the issues in the House in isolation from what is happening in the middle east, Israel and Hezbollah are currently negotiating a very complicated prisoner exchange. Both sides are having to deal with people who find it very uncomfortable to deal with each other. Does my hon. Friend believe that the order will make that negotiation easier or more difficult?

Mr. Ruffley: I am grateful to my right hon. and learned Friend for that. I will not venture to give an expert view on foreign affairs, a subject that I am not accredited to speak on; I am no expert. It might interest him to know that I was in Damascus during the Whitsun recess with Members from both sides of the House, and heard about the delicate, vital negotiations to which he refers, and which we hope will lead to peace. I venture no view on whether the order will make peace more or less likely, but I hope that he will give us his views on the subject.

With your permission, Madam Deputy Speaker, I should like to ask the Minister some questions that might assist my right hon. and learned Friend to understand what lies behind the order, and exactly why the Government seek an extension to ban the entire military wing at this particular time, and in this particular way. So that the Minister does not misinterpret what I say—not that he ever does that, although some people think that he misinterprets what I say on a range of security and policing issues—I repeat that we do not oppose the order, so he must not take my questions as an indication of scepticism about the intent of Her Majesty's Government. We Opposition Members are merely trying to understand why the order is being brought forward now, and what the evidence is for doing so.

When the Prime Minister announced the decision to proscribe the whole military wing of Hezbollah, he gave us some clues to the Government's thinking. On 2 July, in Prime Minister's questions, he indicated that the proposal before us was based

"solely on the grounds of new evidence of its"—

that is, Hezbollah's—

"involvement in terrorism in Iraq and the occupied Palestinian territories."

I should be grateful if the Minister expanded on what the evidence is to which the Prime Minister referred and said when that new evidence came to light. Does the reference to terrorism in Iraq include any specific threat to, for instance, UK personnel there? Is there any specific evidence of a threat to the United Kingdom, or to UK interests elsewhere?

The Prime Minister went on to say:

"Proscription will not affect Hezbollah's legitimate political and social wings"—[*Official Report*, 2 July 2008; Vol. 478, c. 860.]

Will the Minister explain exactly how that distinction will work in practice, if the order is agreed and implemented? Will he tell us something about what the political and social wings are, and how the objectives of the political and social wings differ from those of the military wing? The Prime Minister's remarks imply separate wings of Hezbollah that operate independently of one another.

To what extent does Sheikh Nasrallah's contact with, or control over, Hezbollah politicians in Lebanon figure in what the Government are trying to achieve with the proscription order? I ask because other organisations proscribed by this Government, or by Governments prior to 1997, such as the Tamil Tigers and the Kurdish PKK, had both political and military wings. In those two cases, Her Majesty's Government decided to proscribe the whole organisation—that is, both the political and the military parts. On what basis did the Government decide to proscribe, in this order, just the military wing of Hezbollah? That is an interesting question, given that they went the whole hog in relation to the Tamils and the Kurdish organisation to which I referred.

Keith Vaz: A very good point.

Mr. Ruffley: If the right hon. Gentleman wants to intervene, I am happy to give way, because I always enjoy his interventions.

Keith Vaz: I am happy to intervene. The hon. Gentleman has raised a number of points that I hope to raise if I catch Madam Deputy Speaker's eye. The fact is that, previously, proscription has affected not just a part of an organisation, but the whole organisation, and also any groups that may be from the same area. For example, the British Tamils Forum, which is not a supporter of the Liberation Tigers of Tamil Eelam and does not campaign for it, is affected by the decision that the Government have taken on proscription, so the hon. Gentleman is right to raise those points, and I agree with him.

Mr. Ruffley: I am grateful to the right hon. Gentleman. I do not wish to engage in too much high-flown metaphysical analysis, because we are not here to do that. However, I hope that the Minister will address his point, which was also mine—that is, how, in the context of the order, do the Government define the political and social wing of the organisation and how do they define its military wing? That is an important practical, rather than metaphysical, distinction that the order draws for us, whether we like it or not. The order is about separating out Hezbollah's military wing in its entirety from its political and social wing. As an honest seeker after truth, I am not clear about how the Government have come to make that distinction. I am sure that the Minister has a good answer; he is well briefed and an intelligent man. If he could enlighten us, we Conservatives would be grateful.

My next point follows on from that issue. Will the Minister share with us the evidence in his possession about Hezbollah's fundraising activities in the United Kingdom? Are the Government and their agencies taking any steps to identify any such activity? As the order falls short of proscribing the whole organisation—political, social and military—has the Minister considered whether there is a risk of the fundraising for political purposes, which will be legal even if the order goes through, being diverted to Hezbollah's military activities? I am thinking about the political wing of Hezbollah, a non-proscribed organisation, raising funds quite legitimately after the order has gone through but passing money to the military wing, which will be proscribed by the order. It seems an obvious point, so what thoughts does the Minister have on it? What consideration has been given to the possibility of people getting around the proscription order?

I also note that, in April, the Minister for the Middle East stated in a written parliamentary answer:

> "The UK's policy on contacts with Hezbollah's political wing is based on our assessment of their behaviour and our judgment of whether such contacts would encourage them to move away from violence and play a constructive role in Lebanese politics."—[*Official Report*, 24 April 2008; Vol. 474, c. 2196W.]

That Minister also said that the UK had had no contact with Hezbollah during the 12 months preceding his reply. Will this Minister confirm whether the Government have had any contact with Hezbollah since April this year, when that written question was answered? Will the Government's position on contact be affected in any way by the decision today to proscribe the military wing? That point follows up what my right hon. and learned Friend the Member for Devizes (Mr. Ancram) said.

Furthermore, will the Minister enlighten us on whether the Government are seeking a Europe-wide proscription of Hezbollah's military wing? Is there support for such a move in the Government? In particular, is the Minister aware of any discussions that the Government have had, are having or are likely to have in the short term with French officials about how the French presidency of the EU could achieve an EU-wide proscription of Hezbollah's military wing in its entirety?

Will the move to ban the military wing be linked to any specific steps to achieve the group's disarmament? What is the Government's assessment of the UN Secretary-General's statement that Hezbollah's military wing is rearming, and allegedly—the information comes from no more than a report widely available in the media—smuggling arms across the Syrian-Lebanese border? I do not know whether that is true, but it is what the UN Secretary-General thinks. What is the Government's assessment?

I shall not detain the House much longer, but my questions need to be answered because people listening to this debate will want to understand the precise rationale behind why the order is being put forward at this time and what the evidence is, particularly with regard to what my right hon. and learned Friend the Member for Devizes said about delicate negotiations, occurring outside this country, on a peaceful solution for the Palestinians in the middle east.

My questions are intended to tease out the Government's thinking so that we all understand the basis on which they are acting. I look forward to the answers to my questions. I should like to conclude by putting on the record that, in another place, my noble Friend Baroness Neville-Jones has said that we believe that there is a case for a complete ban on Hezbollah—not only its military, but its political wing—in the UK. Has the Minister considered my noble Friend's comments, and will he keep them under consideration?

7.16 pm

Mr. Andrew Dismore (Hendon) (Lab): When we debated this issue in 2001, I recall advocating that the then ban on Hezbollah—on the external security organisation, as it then was—did not go far enough, and that, as has just been suggested, we had to proscribe Hezbollah entirely, in all its shapes and forms.

Obviously, I welcome the extension that my right hon. Friend the Minister is proposing today, as it would include the entire military wing of Hezbollah. However, its political and social wings will not be proscribed and that does not reflect the true operational structure of the organisation. As has been said in interventions, other organisations such as the LTTE and the PKK have been banned in their entirety because of the difficulty of separating out their respective forms of activity. That applies in the same way, if not more so, in relation to Hezbollah. The Hezbollah founding manifesto of 1985 makes it clear that the organisation operates under one common command structure and shares the same goals:

> "No one can imagine the importance of our military potential as our military apparatus is not separate from our overall social fabric. Each of us is a fighting soldier."

A whole series of other quotes make the same point. Sheikh Naim Qassem, deputy leader of Hezbollah, said:

> "We are a political party whose top priority is resistance. We believe that our political endeavours are combined with our resistance operations, which cannot be separated from our political activity."

Mohammed Fannish, a member of the political bureau of Hezbollah, made a similar statement:

> "Efforts are made to tempt the Hezbollah in order to hold it back. The objective is not to impair its political role; rather its military wing only. But I can say that no differentiation is to be made between the military wing and the political wing of Hezbollah."

I am sure that I could give more examples; there is a whole series of them to show that Hezbollah is a unified organisation as far as its command and operations are concerned. To try to draw a distinction between its social, political and military activities is, in my view, to draw a false distinction—a point that I made back in 2001.

Obviously, I am pleased that my right hon. Friend the Minister has introduced the order to extend the proscription to all aspects of Hezbollah's military wing. He has made a good case in showing the mounting evidence that the military wing has been providing active support to terrorists in Iraq, including in training in the use of improvised explosive devices. He has also shown evidence that the organisation has been supporting Palestinian terrorist groups in the west bank and Gaza, and organisations such as Palestinian Islamic Jihad. The case in relation to the military wing is absolutely clear, but we must not try to draw a false distinction. The Shura council, the organisation's executive board, is in command of Hezbollah's military and terrorist operations and its social and political activities. Hezbollah operates social programmes in Lebanon, for example, but those are used to rally support among the sections of the population who depend on Hezbollah handouts because of inadequate state provision in those parts of the world.

As was hinted at by the hon. Member for Bury St. Edmunds (Mr. Ruffley), funds raised by Hezbollah for such social programmes are often diverted into other parts of the organisation, including its military branches, to help to fund terrorist attacks. That should not come as a surprise to any of us, because that is the nature of terrorist organisations, whether in relation to the PKK, the LTTE or the Irish terrorism that we saw in the 1970s. People went around rattling the tins for the prisoners or whoever it happened to be, but we all knew where it was going to end up. As we have proscribed Hamas in its entirety, we should follow suit in the case of Hezbollah, despite the fact that it also provides these social functions and fields candidates for political office, as in the 2006 Palestinian elections. We would not be isolated in that. The United States, Canada and the Netherlands have proscribed Hezbollah in its entirety, as has Israel, but that has not prevented the sensitive negotiations between Israel and Hezbollah on prisoner exchange.

The arrangements in Lebanon have significantly strengthened Hezbollah's political hand in that part of the world. It has made a successful demand for a veto of cabinet decisions and makes use of its weapons arsenal—another demand that has been met. That goes against UN Security Council resolution 1701, which called for the disarmament of the group in the wake of the Lebanon war of a couple of years ago. The new political agreement that has been brokered in Lebanon allows Hezbollah to retain arms as long as they are not used to resolve internal political conflicts in Lebanon. Well, we will believe that if we see it. Although the Lebanese Government may no longer be a target, Hezbollah can continue to build its weapons arsenal for use against Israel in future. The Israeli security cabinet heard that Hezbollah now has an arsenal of some 40,000 rockets ready to be fired at Israel, which is three times more than two years ago at the start of the second Lebanon war.

There is a strong case for the proscription order that we are being asked to approve. I only regret that my right hon. Friend the Minister has not bitten the bullet, as it were, and gone far enough by outlawing the organisation in its entirety, as we have with Hamas and other terrorist organisations that profess to have a separate political wing but in practice are all one. Hezbollah is a terrorist organisation through and through and should be proscribed in its entirety.

7.22 pm

Jo Swinson (East Dunbartonshire) (LD): On the same day that this order to proscribe the military wing of Hezbollah was published, the Prime Minister told the House that it was solely on the grounds of new evidence of its involvement in terrorism in Iraq and the occupied Palestinian territories. Of course, we all utterly condemn the violent and terrorist activities that are conducted by Hezbollah. I say to the Minister at the outset that Liberal Democrat Members are in broad agreement with the Government's decision to introduce the order. However, I would like to pose a few questions to probe their motivation in doing this and get a little more information so that the House can come to a clear decision.

It would be helpful to have more of an outline of why this change in legislation has come about now. What specific activities undertaken by Hezbollah have prompted it? I appreciate the sensitive nature of the issue, but it would be advisable for the House to have the maximum information possible. I think that the Minister said—I hope that he will confirm and clarify this—that some of the intelligence had been confirmed following the apprehension of a senior individual on 20 March 2007. If so, why has it taken more than a year for the Government to get to the stage of bringing this order before the House? Is it just because the information was gleaned from the individual only recently, or have there been delays for some other reason? On the same day that the order was announced, *The Daily Telegraph* reported that some Iraqi MPs had accused Hezbollah of planning and supervising the kidnapping of five British citizens from the Iraqi Finance Ministry in Baghdad in May 2007. Does the Minister have any reflections on the coincidence of those two events and whether they were related?

While the activities of terrorist organisations must of course be condemned, the Government cannot entirely escape criticism for their role in creating conditions in which terrorism can thrive. Is it not the case that Hezbollah's activities in Iraq stem partly from a fatal lack of planning for the post-Saddam Hussein situation? Iraq has become

[Jo Swinson]

a magnet for fundamentalists, and the implications of that failure of planning are still unfolding across the entire region.

Several right hon. and hon. Members raised the issue of definitions. I, for one, welcome the Minister's assurance that the political, social and humanitarian activities will be unaffected, but defining those will prove very difficult, and I would welcome clarification from him as to how that would work in practice. Hezbollah is a highly opaque organisation. It cannot even have bank accounts in its own name, so its finances run through sister organisations funnelling money to a central structure, where it then reaches the military, political and other arms. Finding any conclusive proof that financial support given to Hezbollah from a UK donor has paid for arms rather than social projects will be an incredibly difficult exercise. Last week, a lawsuit was filed in the US district court in Manhattan by Israeli victims of rocket attacks who are seeking $100 million-worth of damages from five Lebanese banks that they accuse of helping to fund Hezbollah during the 2006 war. At that time, horrified by the pictures of the humanitarian problems on our screens, many people gave donations to the relief effort for legitimate charitable purposes and out of a genuine desire to help the people of Lebanon. That case raises problems about how any individuals or institutions that provided financial backing to Hezbollah would be dealt with under similar circumstances in future. Contributors to genuine charitable causes should not be at risk of prosecution for supporting a terrorist organisation. I hope that the Minister can expand a bit further on how the question of definition will be resolved.

Keith Vaz: The hon. Lady is right to address the consequences of proscription. No matter how bad this organisation is, others who support general, charitable causes will be caught within the overall net of what is proposed. Does she agree that there is a general lack of clarity on the issue of proscription and on what other organisations, perhaps not associated with this one, are involved with in supporting the general cause of peace in the middle east?

Jo Swinson: The right hon. Gentleman has a great deal of experience in these matters through his chairmanship of the Home Affairs Committee. My point is that greater clarity is required about Hezbollah and its different arms, partly so that innocent people are not caught out unfairly by the legislation. I am sure that that is not the Government's intention, but I would welcome some clarification as to how they propose to get round these difficulties.

Under the existing terrorism legislation, there have been no prosecutions of Hezbollah-connected militants in this country. Is that a sign that that legislation has been so successful that we should not worry too much, or was the previous definition proving to be unhelpfully narrow as regards securing prosecutions, while this order is expected to give the Government the extra tools that they need to bring to justice people who should have been dealt with previously? Have there been any Hezbollah supporters in this country who should have been prosecuted but have escaped as a result of the different definition?

In the international context, it would be helpful to hear the views of our EU partners. The hon. Member for Hendon (Mr. Dismore) listed various countries that have proscribed Hezbollah. Are we in step with our international partner countries on this issue, and are they making similar changes to their terror lists on an EU or a UN basis? I look forward to the Minister addressing some of those points, but give broad support to the order.

7.29 pm

Keith Vaz (Leicester, East) (Lab): The hon. Member for East Dunbartonshire (Jo Swinson), like the hon. Member for Bury St. Edmunds (Mr. Ruffley), raised important points concerning the whole question of proscription and its implications. It is right that Parliament should scrutinise such important decisions. Even though this order will quite rightly go through the House unchallenged tonight, it is the scrutiny that Parliament gives to such orders and legislation that is so vital.

Following the aftermath of what happened in New York and what happened in London just a few years ago, there is tendency to rush to make decisions and for Parliament to reflect on the consequences afterwards. I do not think that the Government have done that in this case, and I fully support what the Minister said about the organisation in question. In many cases, those of us who are not experts in this field—although I chair the Select Committee on Home Affairs, I do not regard myself as an expert on this matter—do not possess the kind of information and security intelligence that the Minister has. I accept what he says, therefore, and I take it on faith. It is a quiet Tuesday evening, there are not huge numbers of Members in the House, and the order will go through unchallenged by a vote, but the danger is that we will make a decision and look at the implications afterwards.

The hon. Member for Bury St. Edmunds was right to talk about the draconian effects of proscription. As we can tell from the word itself, proscription cannot be anything other than the most serious judgment on the activities of a particular group. My hon. Friend the Member for Hendon (Mr. Dismore), who follows these matters more closely than I do because of his great constituency interests, is able to reel off information about Hezbollah, which I certainly did not know, concerning who sits on its councils and what they do. The hon. Member for East Dunbartonshire picked up the information that the organisation does not even have bank accounts, but transfers its money between various sister organisations. All of that adds to the weight of knowledge that we, as parliamentarians, have.

My problem is not with the order, but with the implications that will become apparent long after it has been passed. The Minister knows about the issue of proscription, because I have raised it with him, and its effect on law-abiding citizens of this country who do not support the terrorist activities of organisations abroad, but believe in the wider cause. The example of the Liberation Tigers of Tamil Eelam was raised, quite rightly, by the hon. Member for Bury St. Edmunds. I have about 10,000 members of the Tamil community, and many Muslims, in my constituency, who would be very interested in what Hezbollah is doing in the middle east. I have many constituents who are concerned about the peace process. The problem for law-abiding British citizens who support the general cause, but do not support terrorist organisations, is what happens if they attempt to hold meetings or events that in some way deal with what is happening in the countries concerned, and Sri Lanka is an obvious example.

I have been to events organised by the Tamils Forum, with the approval of the Metropolitan police, and subsequently, I received almost hysterical communications from the Sri Lankan high commissioner about my attendance at what Sri Lanka regards as terrorist events. Of course they were not; we do not support terrorism. But they are events that concern members of the British Tamil community, who will be affected by the general nature of proscription. That is why clarity is so vital when we are affecting the rights of British citizens. I am surprised to some extent by my hon. Friend the Member for Hendon, who is the chairman of the Joint Committee on Human Rights. He is always very eager to talk about human rights, but should remember from his former profession as a lawyer that it is important to preserve the rights of individuals who are not supporters of such organisations, but somehow get caught in the wider net thrown around them because they attend or give at a charitable event, as the hon. Member for East Dunbartonshire mentioned.

On Saturday, the hon. Member for Kingston and Surbiton (Mr. Davey), who leads for the Liberal Democrats on foreign affairs, the hon. Member for Croydon, Central (Mr. Pelling), who was a Conservative MP but is now independent, my hon. Friend the Member for Mitcham and Morden (Siobhain McDonagh), who is a member of the Government, my hon. Friend the Member for Brent, South (Ms Butler) and the former Prime Minister of Kosovo were all at a meeting in Mitcham, attended by 40,000 members of the Tamil community, to talk about the situation in Sri Lanka. The hon. Member for Ilford, North (Mr. Scott), was not present, but had a letter read out at the event. The LTTE is a proscribed organisation, but the Tamil organisation is not. Police officers were there filming what was going on. I went up to a number of them, just to reassure them that nothing was out of order. The problem with orders of this kind is that they have implications far beyond what the Government intend—implications that affect law-abiding British citizens.

The last time I attended such an event, I was told by the Metropolitan police that those in every organisation had to sign a piece of paper, invented just before the meeting, confirming that they would not carry out various activities there. I said, "How can you just produce this piece of paper? These are law-abiding British citizens. In my 21 years in Parliament, I have never heard of British citizens attending a meeting being made to sign pieces of paper about what will happen there in advance of it happening." My office was told by the police officer that this was now standard practice in view of the proscription that had been decided by Parliament. I did not know that; it was news to me that such forms had to be produced.

In passing the order tonight, we need to understand what will happen to people who do not support the organisation in question, and who do not believe that terrorism is a means of getting justice in the middle east, but are caught up in the wider net described by other hon. Members—apart from my hon. Friend the Member for Hendon, who wants the Government to go even further. Other people are genuinely concerned about these issues. At the moment, there are 900,000 people of Arab origin living in the United Kingdom—individuals and extended families. Some have indefinite leave to remain, and some are British citizens. Many take part in different organisational activities to do with the middle east, and are concerned about what happens there. Where is the demarcation line for those people?

My second point was just made to me, outside the Chamber, by the hon. Member for Kingston and Surbiton. I told him that I would be mentioning him in my speech, and he reminded me that the Government's original order to proscribe 25 organisations was unamendable. No Member could amend that list, so we could not raise concerns about the implications of the order for law-abiding constituents who did not support terrorism. They want to support the Government in all that they do, as in the excellent work they have done in the past 11 years in trying to suppress terrorism. We could not amend that order, however, and there has never been an opportunity for us to do so. Of course, in future, the Committee of my hon. Friend the Member for Hendon or the Home Affairs Committee might look at the matter of proscription. However, as things stand, unless an order of this kind is brought before the House, there is no way in which we can scrutinise what the Government are doing in this area or offer fresh information about the implications that such actions have for law-abiding citizens.

My next point is about challenging proscription. I raised it with the Opposition spokesperson and he rightly said that he wished to concentrate on other matters in his speech, but I hope that the House will consider the subject in future. When an organisation wishes to challenge proscription—the Government have recently lost a case in the courts; an order was passed a few weeks ago when the Government had to come to the House and implement the court's decision—there is no hard and fast, robust way in which to do that. I know that because a meeting was held with the former Home Secretary during which members of the Tamil community asked what they could do so that a distinction could be made between those who wished to pursue terrorist ends and those, like those members of the community, who did not, but wanted to speak about the genuine carnage and violence that is happening in parts of Sri Lanka and to return to the negotiating table, which was so vital to the progress of peace in that troubled and beautiful island. The then Home Secretary said that there were no procedures, rules or guidelines. All that an organisation had to do was write to the Home Secretary and that would trigger a look at proscription. If the request was turned down, people could go to court and there could be a judicial review, which is exactly what happened in the case of the People's Mujahedeen Organisation of Iran.

Of course, we will go along with what is suggested tonight, because the Minister has presented us with persuasive arguments, as he always does when he introduces such measures. We are always willing to support the Government on such issues because they are so serious and the Government have much more information than we do. However, given that we are entering new territory and that the Government have been challenged in the courts and lost, at great expense to the taxpayer, may not we have some regulations or rules, or some sort of robust scheme whereby organisations can appropriately challenge the Government's decision without having to

[Keith Vaz]

await such a discussion or an order such as the one that we are considering? May we have a mechanism whereby organisations can challenge and place evidence before the Government? I hope that the Minister will address that when he responds to the debate. What other way is there, other than writing to the Home Secretary and, when she says that the proscription cannot be lifted—I would be amazed if she wrote back and said yes to any of the organisations that she or her predecessors have proscribed—going to court? The recent case went through the High Court to the Court of Appeal and eventually to the highest court in the land. Do we have to do that every single time a Government decision is challenged?

I urge my right hon. Friend, in balancing out what we are doing today, to consider a more robust scheme, which will enable us to make progress. If we do not, hysteria will grow about organisations and individuals such as members of the Tamil community. It is wrong to stigmatise a whole community, as some in the Sri Lankan Government have done. I welcome the Tamil community's actions in the past few years in politicising themselves and lobbying Members of Parliament. Tomorrow, that community has an exhibition in the House about what happens in Sri Lanka. That is the way for people to pursue their legitimate political grievances—through parliamentary democracy.

I ask the Minister: please consider a more robust scheme that is fair to our citizens. We are talking not about people abroad, but about those who live here—British citizens or those with indefinite leave to remain—who pay taxes and vote for people such as the Minister, me and Opposition Members. Let us treat them with respect and ensure that we have a robust scheme, which enables people to challenge what they regard as an unfair law.

7.44 pm

Mr. McNulty: With the leave of the House, I should like to respond to the genuine and sincere comments that hon. Members have made. Many contributions have gone beyond the narrow confines of the order, but it might be appropriate and of use to the House if I, with your indulgence, Madam Deputy Speaker, addressed those broader issues.

I understand what my right hon. Friend the Member for Leicester, East (Keith Vaz) says about organisations that are loosely associated, or not at all associated, with proscribed organisations, but have an interest in broader political issues. However, I part company with him on the notion that there is anything but clarity in the 2000 Act about de-proscribing. Let me briefly describe our experience with the People's Mujahedeen Organisation of Iran. A collective—if I may use that phrase—of Members of this House and the House of Lords took the case for de-proscription to the Home Secretary. I understand that anyone is free to do that, but in the case that I am considering, it was a significant group of Members of this House and the other place. The Home Secretary, in her wisdom, said—I still believe rightly—that we would not de-proscribe. The principals involved then rightly took the matter to the Proscribed Organisations Appeal Commission, not straight to a court of law. The commission, in its wisdom, said that the People's Mujahedeen Organisation of Iran should be de-proscribed. My right hon. Friend the Home Secretary then took the case to the courts and lost. In the narrowest terms, the process is clear.

There are problems with organisations that are loosely associated, or not at all associated, with the principal proscribed organisations, which my right hon. Friend the Member for Leicester, East mentioned. The law deals with some, but others are in a greyer area. My right hon. Friend knows that the second form of proscription undergoes a different parliamentary process and involves laying an order, which is subject to the negative resolution procedure. That happens when the organisation that we wish to proscribe is an adjunct to the original proscribed organisation, which might be described as the precursor. For example, the PKK was proscribed and Kongra-Gel was seen as simply another element of the same terrorist organisation. The latter was proscribed through negative rather than affirmative order, because we could establish evidential connections.

Keith Vaz: I am not clear about my right hon. Friend's comments about the case of the People's Mujahedeen Organisation of Iran. Obviously, de-proscription is almost as important as proscription when people feel that they are subject to an unfair restriction. Is my right hon. Friend saying that, to get an organisation de-proscribed, Members of this House and the House of Lords must approach the Home Secretary? I did not envisage that when I read the vague rules that currently exist on de-proscription.

Mr. McNulty: Absolutely not. In the first instance, anyone who objects to proscription can write to the Home Secretary asking for an organisation to be de-proscribed. I made the point about the PMOI because it is the most recent, if not the only, case of de-proscription that was not done by Government but because a group of Members of this House and peers took up the cudgels for it. However, there is no parliamentary process whereby Members of Parliament and peers have to do that. An organisation or anyone who feels that they have been affected by an organisation's proscription may apply in writing to the Secretary of State for the organisation to be de-proscribed. That happened in the case of the PMOI.

As I said, if the Secretary of State refuses the application, the applicant may appeal to POAC. When hearing an appeal, the commission consists of a panel of three members, at least one of whom holds or has held high judicial office. POAC sits in public, save when considering material whose disclosure is contrary to the public interest. The closed session with special advocates enables POAC to consider material that would be the subject of public interest immunity in ordinary High Court proceedings. The special advocate sees the sensitive material and can make submissions upon it. It is perfectly right and proper that the de-proscription process should be as clear as the proscription process, which is the subject of today's order.

It is fair to dwell momentarily on my right hon. Friend's broader point, which I take, about community, political and other organisations that clearly do not support terrorism, but which are interested in the same areas of politics. That is a grey area; that is entirely clear. However, I simply say in passing that it must be incumbent on individuals who choose to get involved with either charities or political organisations to make it clear, on their own terms, that they do not support in any way, shape or form any organisation, proscribed or otherwise, that has terrorist intent. It cannot be that everyone is absolved from that responsibility, which should be upon us all.

Keith Vaz: My right hon. Friend will know from his constituency of Harrow, East, which has a large and diverse community, how important it is to get the message across. We are talking about a core responsibility of Government, so what engagement is or has been proposed with those community groups that may be loosely associated with any of the organisations that I have mentioned—for example, Hezbollah, those who support the middle east peace process, or those in the Tamil community who support peace in Sri Lanka—to get that message across, rather than leaving it to community members to work out that they cannot be involved in such activities? I described how difficult it was when such organisations tried to arrange meetings, because they are not au fait with the various minutiae of the law.

Mr. McNulty: I take my right hon. Friend's point, but I repeat: there is at least a degree of responsibility on those organisations to ensure that they are au fait with the law and that they are not intent on supporting organisations that have a terrorist bent, whether proscribed or otherwise.

On the wider issue of engagement, the Government act in the normal fashion, through the engagement of the Foreign Office and the Department for Communities and Local Government with a range of communities, as well as through the Home Office and other parts of the Government, which take those opportunities to tell people, if appropriate, about the Government's prevailing view of particular organisations, especially proscribed ones. That happens regularly. On the specific threat that we face from violent extremism, my right hon. Friend will know, too, that there are a range of issues—principally involving DCLG, but also involving the police, under our broad prevent agenda—on which we are doing precisely that kind of work, albeit in a more sustained and focused way, particularly in respect of the Islamist or jihadist threat that we face.

Mr. Dismore: My right hon. Friend makes an important point about organisations being able to show that they are distinct from proscribed organisations. My right hon. Friend the Member for Leicester, East (Keith Vaz) used the example of the Tamil community. The reports that I heard of the event that he attended were very worrying indeed. It may sound very innocent that children had their faces painted as tigers, but more importantly, I heard reports of banners and posters being put up that supported the LTTE operation. My right hon. Friend ought to be aware that there are significant differences in the Tamil community over the LTTE. My constituency party secretary is a Tamil, but her brother was murdered by the LTTE in Sri Lanka before she came here as a refugee.

Mr. McNulty: I fear that I will tempt your patience, Madam Deputy Speaker, if I go into too much detail about the byways and highways of one particular organisation. Having said that, I am about to talk about another organisation that is nothing to do with the order, either. However, I crave your indulgence, because hon. Members have raised it.

My hon. Friend is factually inaccurate about the United Kingdom. We have not banned Hamas in its entirety; we have banned, as we are doing this evening, only the military wing, the Izz al-Din al-Qassem Brigades, not the whole thing, for the same reason. However, my hon. Friend is quite right that in some contexts at least—certainly at the EU level—the entire organisation is effectively banned, through asset freezing and other dimensions. It is important, too, that, on the broader issue of finance, which hon. Members have raised, we deal with organisations at either UN or EU level, or via the proscribed list, through asset freezing, where possible and if identified, and by notifying all financial and banking institutions, not least in respect of their dealings with charities, that they are under an obligation to refer to us any suspicious activities involving the movement of funds that may or may not be destined for organisations on the proscribed list.

The hon. Member for East Dunbartonshire (Jo Swinson) is entirely right to say that that is not easy. There are often myriad accounts, addresses and organisations, but in the normal course of things, it is our job—the job of the authorities—to try to chase the money, to see whether it gets to any proscribed organisations and then to deal with it in the appropriate fashion. However, the task is not straightforward. A proscription order is not a magic wand that makes things any easier. The Charity Commission is clear what its responsibilities are in that regard, as are the financial and other regulatory authorities, but the hon. Lady made an entirely fair point.

Keith Vaz: The hon. Member for East Dunbartonshire raised an important point, which goes back to something that my hon. Friend the Member for Hendon (Mr. Dismore) said. I will not go into detail about the meeting at the weekend, but there were also some young children with lions painted on their faces, too—I saw one. But anyway, let us put that to one side. If someone gives some money in good faith to a charitable cause associated with peace in the middle east and, to take the example that the hon. Lady gave, it ends up, through myriad transactions, somewhere that was not intended by the person who originally gave it, surely that person should in no way be held responsible.

Mr. McNulty: That is right, and that is reflected in the law, but the key phrase is "in good faith". Where the organisation—the charity or whatever else—is clearly directly associated with a proscribed organisation or where it is well established that the organisation is a front, or even where it is proscribed itself, the responsibility is on individuals to establish, effectively, the bona fides of that organisation. However, if someone gives a contribution in good faith, it is not for the authorities, some 24 iterations or otherwise down the line, if we follow the money, to ensure that the original donor is pursued. That is not the purpose of the law at all.

On the general point about the distinction between military and other wings, the order is carefully drawn, in referring to recognised elements of the organisation. That is why the order calls for replacing, for the reasons that I have outlined, the words "Hizballah External Security Organisation" with:

> "The military wing of Hizballah, including the Jihad Council and all units reporting to it (including the Hizballah External Security Organisation)."

[Mr. McNulty]

As far as we are aware from the evidence that we have and from the substantive points made by experts, both legal and otherwise, the Hezbollah External Security Organisation, which was proscribed, and the military wing of Hezbollah, including the Jihad Council and all units reporting to it, are recognised elements of the organisation, and it is right and proper to ban them.

The right hon. and learned Member for Devizes (Mr. Ancram), who is no longer in his place, was quite right to ask in terms, as did other hon. Members, not only why we should ban just the military wing and not the whole organisation—that is a perfectly fair point, which I hope I am addressing—but why, given what is happening in the middle east, not least in Lebanon, we are proscribing it at all. Those are both fair points, and I hope that I have addressed them.

We recognise that the political wing of Hezbollah and the political organisation provide a social and humanitarian function in Lebanon. To an established extent, they make positive contributions to Lebanon and other places. In keeping with a whole range of United Nations Security Council resolutions, they provide a positive function in Lebanon and other parts of the middle east. It is to be hoped that the strength of those social and political wings would obviate the need for the military wing to do anything in the first place. We cannot reach a position in which the United Kingdom and others call on Hezbollah to disarm and participate in Lebanese politics as a democratic and peaceful political party—in line with UN Security Council resolutions 1559, 1680 and 1701—and then somehow put obstructions in its way to prevent it from doing so.

I believe that there is a fine balance between the military and other elements of Hezbollah but, in this instance at least, my hon. Friend the Member for Hendon is misguided in seeking to ban the whole organisation. I do not think that it is sufficient to say that anything to do with Hezbollah is terrorist, period. We recognise that there is sharp distinction between the two parts.

Colleagues have asked me to go into much more depth about the evidence. I am a fair person—I think—and I have tried to outline as much evidence as I could in my opening speech. Were there substantially more evidence for me to share with the House, I would have done so. The hon. Member for East Dunbartonshire asked why we were introducing the measure now, when the key piece of information that I was able to relay concerned March 2007. I would simply say that we do not take these decisions lightly, and we have to take careful consideration of all the available evidence. I can assure her, however, that the decision is not related to recent events in Lebanon, and certainly not to the coincidence that happened on 2 July in that regard.

There is a wide range of international positions on Hezbollah. As I have said, some countries, including the USA, Canada, and the Netherlands, proscribe the entire organisation. Australia proscribes the External Security Organisation only, while others, such as France, do not proscribe any part of the organisation at all. As I said earlier, I cannot go into any more detail on the evidence. The ability of organisation so proscribed to be de-proscribed involves a clear and fair process, although I will take on board the points made by my right hon. Friend the Member for Leicester, East about wider community groups. I repeat, however, that responsible individuals have responsibilities that go beyond simply endorsing the view of an organisation. With that, I happily commend the order to the House.

Question put and agreed to.

Resolved,

That the draft Terrorism Act 2000 (Proscribed Organisations) (Amendment) (No. 2) Order 2008, which was laid before this House on 2 July, be approved.

DELEGATED LEGISLATION

Mr. Deputy Speaker (Sir Alan Haselhurst): I propose to put together motions 6 to 8.

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Delegated Legislation Committees),

COMPANIES

That the draft Companies (Reduction of Share Capital) Order 2008, which was laid before this House on 9th June, be approved.

PENSIONS

That the draft Financial Assistance Scheme (Miscellaneous Amendments) Regulations 2008, which were laid before this House on 18th June, be approved.

CRIMINAL INJURIES COMPENSATION

That the draft Criminal Injuries Compensation Scheme 2008, which was laid before this House on 18th June, be approved.—*[Mark Tami.]*

Question agreed to.

EUROPEAN UNION DOCUMENTS

FINANCIAL SERVICES

Motion made, and Question put forthwith, pursuant to Standing Order No. 119(9) (European Committees),

That this House takes note of European Union Document No. 6996/08, the amended draft Directive on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II); and supports the Government's negotiating position on the Directive which seeks to ensure that it is prudentially sound, provides appropriate protection for policyholders and enhances the Single Market in insurance.—*[Mark Tami.]*

Question agreed to.

PETITIONS

Digital Television Switchover

8.4 pm

Mr. Michael Moore (Berwickshire, Roxburgh and Selkirk) (LD): I am grateful for this opportunity to present this petition on an issue that I have raised with the Secretary of State for Culture, Media and Sport, and to which I hope I will get a positive reply in due course.

In a few short months, the Borders area that I represent will be the first region to see the switchover to digital television, and a brave new world in which 40 television channels and countless radio channels will be available to people in the area. Unfortunately, however, the many people who are not served by the main transmitter in Selkirk will not receive all the channels; they will receive only what is known as "Freeview Lite", which provides far fewer channels and a much poorer service. As a result, 2,500 of my constituents have prepared a petition that I wish to present to the House this evening:

The Petition of those concerned about the extent of Freeview services in the Borders as a result of digital television switchover,

Declares that, in November 2008, the Borders will be the first region in the UK to make the switch from analogue to digital television. Many people in this area receive their television picture from a relay transmitter, but after switchover they will not receive all the available channels on Freeview. Instead, they will receive a much reduced service known as "Freeview Lite". Many channels enjoyed by viewers elsewhere will not be available to viewers who rely on relay transmitters for their television picture.

Further declares that this situation is unfair.

The Petitioners therefore request that the House of Commons urges the Government to urgently review the impact of the digital television switchover on the Borders area and to take steps to intervene to prevent Borderers from missing out and ensuring that viewers in the Borders who currently receive their television signal from a relay are provided with all the Freeview channels after digital switchover.

And the Petitioners remain, etc.

[P000244]

HMRC Workforce Change

8.5 pm

Mr. Edward Timpson (Crewe and Nantwich) (Con): I wish to present a petition on behalf of the employees of Her Majesty's Revenue and Customs, the Public and Commercial Services Union and others, concerning the future of the HMRC office in Crewe, and all its other offices in the north-west of England. The petition has attracted the support of 52 signatories, and was co-ordinated by the employees of Her Majesty's Revenue and Customs in Crewe.

The petition of the employees of Her Majesty's Revenue and Customs, the Public and Commercial Services Union and others,

Declares that they are seriously concerned about the future of the HM Revenue and Customs (HMRC) office in Crewe, and also similar threats facing their colleagues elsewhere in the North West of England. The proposal to close this office will mean that local people and businesses will be left without access to these services. They are also concerned about the likelihood of staff affected by the closures being able to find alternative work within the local area, it being unreasonable for them to travel to alternative HMRC sites by public transport for reasons of cost, time and care for their families. They further declare their support for the PCS campaign to keep these offices open.

The Petitioners therefore request that the House of Commons urges HM Government to withdraw the threat of closure to the Crewe HMRC office.

And the Petitioners remain, etc. [P000231]

Listing Buildings

Motion made, and Question proposed, That this House do now adjourn.—*[Mark Tami.]*

8.6 pm

Ann Coffey (Stockport) (Lab): I want to start by welcoming the draft Heritage Protection Bill. The Bill aims to set out the legislative framework for a more unified and simpler heritage protection system that will be more open, accountable and transparent. I am pleased that the Bill has been designed to provide more opportunities for public involvement and community engagement in understanding, preserving and managing our heritage. These are laudable aims.

The benefits of the reforms, as set out in the Bill, are that they will enable us to preserve the historic environment and to manage its transition to the future. My main concern tonight is to ensure that, when it comes to protecting buildings, there is a balance between the past and the future. We must not let our desire to cherish and protect the past jeopardise building for future generations. I believe that more consideration should be given to wider economic and regeneration issues in the listing or designating of buildings.

At the moment, the criteria to which English Heritage has regard in determining whether to recommend that the Department for Culture, Media and Sport should list a building are the architectural and historic value of the building. The majority of listings are carried out in response to applications for individual buildings, which can be made by any individual or organisation. In addition to the listing work that is undertaken in response to applications, English Heritage also undertakes some thematic reviews of particular types of building. For example, in the 1990s, the textile mills of Greater Manchester were looked at in this way, and about five years ago cinemas across the whole of England were examined as a whole.

Mr. Fraser Kemp (Houghton and Washington, East) (Lab): In my constituency, we have the world's only listed pigeon cree—or loft, as they are commonly known. Does my hon. Friend agree that, under the Bill, the heritage, enjoyment and pastimes of the working people should be recognised, and that it should not simply deal with the great stately homes of Britain?

Ann Coffey: I entirely agree with my hon. Friend, who I know has campaigned on this issue for a long time. I am sure that the Minister will have heard his fervent plea.

The draft Bill will simplify things by creating a single system for designation—to be called the heritage register—which will replace listing, scheduling and registering. However, the decision to designate will still be made on the basis of special architectural, historic or archaeological interest.

During consideration of this draft legislation, I would like other subsidiary criteria such as economic regeneration plans debated and taken into consideration before a recommendation is made to the Department for Culture, Media and Sport for a building to be designated or listed. Recent frustrating experiences in my own constituency of Stockport have led me to that view. May I make it clear that I am not making any criticisms of the individuals

[Ann Coffey]

involved? I would like to thank Henry Owen-Jones from English Heritage for his help. The criticisms that follow are of the system itself.

Those experiences have made me believe that the designating of buildings should be more specific and spell out exactly what should be retained in any future developments. For example, clear descriptions of the materials to be used would enable future developers to tie down and contain costs and know from the beginning exactly what was required of them and how much it would cost. That would prevent expensive proposals from emerging at a later stage, often during informal pre-application discussions with English Heritage, which can severely hold up building projects or indeed jeopardise them altogether.

As I have explained, my interest in this whole issue arose out of tensions between heritage and regeneration in a multi-million pound development of Stockport college's town centre campus in respect of one particular building. The new campus is to be on the site of the old St. Thomas's hospital, the buildings of which have fallen into disrepair since the hospital was closed. The building in question, called merely "building 25", was not a listed building, but because it fell within the curtilage of the principal listed structure, it was regarded as listed. It was attached to a listed building.

The problem was that English Heritage wanted to keep building 25, but Stockport college did not want to keep it. The college did not think it had any value for its vision of a 21st century educational facility and believed that its retention would compromise the design of the front aspect of its new college campus. As the building was riddled with asbestos, restoration would add further expense to the project. The college had already spent £11.217 million on the refurbishment of listed buildings as a result of pre-planning meetings with English Heritage. As the cost of refurbishment of listed buildings is 16 per cent. higher than the cost of new build, the excess costs were £1.53 million. The college did not want building 25, and the proposed alternatives of boarding it up or selling it were not ones that the college considered to be viable.

The college recognised the historical significance of the two listed buildings, but felt that building 25 detracted from the overall scheme. The frustration for the college was that it was always trying to discuss matters against a background of historical significance, irrespective of cost to its budget or the need to cater for 21st century learners.

From a heritage point of view, the college was keeping the best of the site, spending a lot of money on buildings that had hitherto been left to decay with little or no interest from anyone. It was also bringing a £55 million regeneration scheme to Stockport and simply could not go on investing in buildings for which it had no use and that it felt would serve no educational purpose.

English Heritage first advised Stockport council that it wanted to keep building 25 during pre-application advice meetings, and argument went on for months. The college spent £145,032 preparing a case for demolition, employing specialists in this field and commissioning architectural surveys to respond to English Heritage's aspirations for the site as a whole. The college purchased the site in March and the estimated delay, due to the involvement of English Heritage, is likely to be 12 months.

The whole affair has added other costs to the project, including £37,500 in staff time and £117,000 in interest costs. It also had a major consequence for the college's cash flow as it delayed Learning and Skills Council approval and the subsequent grants by almost a year. Ironically, English Heritage did not in the end formally object to the planning application submitted by the college, which involved the demolition of building 25.

From my involvement, which included several meetings with English Heritage, the Government office for the north-west and council officers, it became clear to me that if a building is listed but alongside that listing there is no description of the work that has to be done to preserve its heritage aspects, the developers cannot possibly know the costs that they might incur and, even worse, those costs will become clear only from advice by either local conservation officers from the council or the local representative from English Heritage. That organisation, of course, will be concerned to improve the heritage aspects, but doing so does not come out of its budget; every helpful piece of advice usually costs somebody else money.

The other difficulty, of course, is that it is not often clear to the recipient of the advice from English Heritage what the status of the advice is. It was clear from my involvement that the college was certainly under the impression that English Heritage was able to exercise some kind of veto on the planning application if its advice were not accepted. That, of course, is not the case. I think there is a need for a much more transparent process for striking a balance between heritage and the need to make buildings fit for the purpose for which they are developed. If, when buildings were listed, the listing were accompanied by descriptions of features that had to be retained, together with acceptable materials for restoration, developers would have a clearer idea of the costs.

In arriving at such descriptions, some regard needs to be paid to the future use of the building. For example, it is important that we provide affordable housing, but if old buildings are to be converted to flats, every extra cost imposed to meet heritage standards will affect the affordability of the housing. I understand the value of heritage, but it is also important to make buildings fit for purpose in the coming century, so we need an approach to heritage and the listing of buildings that takes that into account.

I was also concerned that money intended for further education and other public services was being disproportionately spent on buildings that had no national significance, although they had local listings, and, indeed, on buildings that were not themselves listed, but were attached to listed buildings. I do not think it right that money intended for educating young people should be spent on heritage, and there is a case to be made for having separate heritage budgets that can support such restoration work.

I am also convinced of the need for such a separate budget by another example in my constituency that involves the derelict St George's Church of England vicarage and St. George's Church of England primary school, which are both grade II listed buildings. The Victorian vicarage is set in a large garden and has been disused since 2001; it is boarded up because it has major disrepair and structural problems—for example, there is no staircase. Groups of children are trespassing and lighting fires inside, endangering both themselves and the surrounding area—a cause of continual complaints to the local police.

The school and the church diocese want to demolish the vicarage to make space for a much-needed green playing field. At the moment, the pupils have just a concrete playground. However, the conservation officer at Stockport council has told the church vicar that the vicarage windows or doors cannot be broken up or demolished because they are part of a conservation area and English Heritage would object, so we are stuck with a derelict, rotting building that nobody wants, can use or indeed, can properly conserve. That is another example of advice being given at an informal level. The consequences of such advice can be far-reaching. Of course, the Church could put in a planning application that involves demolishing the vicarage, but it is not clear that people understand that this is an option. There is a sense, however unreal, that English Heritage has an automatic veto.

Meanwhile, the school building itself is in need of some repairs. For example, the roof tiles have recently needed to be replaced. The school governors were told that they had to use a specific quality and colour of slate, and it turned out that the right tiles could be obtained at great expense only from Vermont in the United States. Again, on what basis was that advice given? Where is it said that only those particular tiles could be used? Why should this school use money that was intended for education to buy expensive tiles for something that nobody can see, simply because the building is listed? Surely, when listed buildings are being used, there need to be clear agreements about how the building is to be maintained. The advice should be more transparent, and it should take into account affordability for the user. These sorts of extra hidden costs can come as a shock and can jeopardise the finances and, in some cases, the continuation of projects.

Three lessons have been learned from the examples of Stockport college and St. George's. First, the criteria for listing buildings should be widened, and more consideration should be given to wider economic and regeneration issues in the listing or designating of buildings. That is particularly important in inner-city and town-centre developments. Secondly, if buildings are listed, the listing should specify exactly what features any future developers would be expected to retain, together with descriptions of the acceptable materials to be used. Thirdly, there should be a separate heritage budget to support such restoration work so that money intended for educating young people, for example, is not diverted away. English Heritage has a statutory obligation to give advice, but with ever more complex applications involving millions of pounds of investment, we need to look again at the process of listing and the balance between heritage, the extent to which developments are fit for purpose and how those decisions are made.

The right balance has to be struck between the future and the past. Many hon. Members will have examples of derelict boarded-up buildings in their constituencies which have stood vacant for years and which no one can afford to renovate. They are not being conserved at all but just being allowed to decay. Is it not ironic that the listing itself may be a deterrent to development and may lead to decay and eventual demolition of a building that is so significant that it was listed for preservation? However, unless some account is taken of the possible use of a building in the application for listing, I cannot see how the Bill in its current form is actually going to achieve its objectives of preserving our heritage.

Buildings stand not in the past but in the present. They carry the heritage of the past, but they will not survive unless they can meet the aspirations of the future. Not all can become perfectly preserved museums. They have to be schools, houses or new offices. The process of listing buildings should take account of that, both in the application and when listed.

8.20 pm

Mr. David Drew (Stroud) (Lab/Co-op): I am delighted that my hon. Friend the Member for Stockport (Ann Coffey) has secured this debate. I am even more delighted that we finished the main business a bit early. I am not going to go on at great length, because I do not need to, but I want to take the opportunity to say a few things about the listing process.

The word "listing" is seared on my brain. Anyone who knows anything about Stroud will know that we take a special joy in the process of listing buildings. The obverse of that is that I have also talked to people who are close to suicide as a result of some of the implications of what happens when the listing process develops a life of its own. It can have all sorts of repercussions.

My right hon. Friend the Minister of State, Department for Culture, Media and Sport knows that I take a particular joy in the current proposal for C block of Standish hospital, and I hope that she will do the decent thing and not list it. The idea to list it is, to use a parliamentary term, nuts. It is the wrong sort of building for that. It would stop a perfectly good development on that site, which hopefully will be led by the NHS.

To show that I am not a philistine, I also ask my right hon. Friend to look at the proposal to list the Purton hulks on the River Severn. Those include some wonderful old barges, which were driven into the side of the river to stop its banks eroding. The hulks are of particular interest. I know that we cannot get protection for them at the moment, but hopefully the Bill, which I also welcome, will give us an opportunity to consider something that is of universal importance in the marine world and which we should be doing something about.

At one level, the process of listing is incredibly democratic. Anyone can put a building forward for listing. That is laudable. It is important that we look at the process in its totality, because it is of great importance, as I said. My hon. Friend said that the process was one of apparent transparency. I am a great fan of English Heritage, because it has saved buildings that were in a dire state of repair and in need of proactive intervention. For example, it has paid an awful lot of money to repair the roof of Stanley Mill in my constituency. It is to be congratulated on that. My only criticism of English Heritage is that it sometimes takes rather a long time to respond to applications, which can lead to difficulties because a building is, of course, deteriorating over that time. Uncertainty can be the worst outcome of all. I ask my right hon. Friend to say something about how, in the new legislative world that we are coming into, we can

[Mr. David Drew]

speed up the process of listing a building. There are occasions when a silly proposal is made—perhaps even a vexatious one to delay the inevitable development of a site—and we need to deal with that more expeditiously.

In terms of my special interest, the system is fraught with problems if a building has been listed but, over the course of history, some of the reasons for that are not clear and people are left with the problem of how to respond when there is a quite heavy-handed approach. I do not want to cast aspersions on my local authority, but again, anyone who knows anything about Stroud will know that listing is something that we do as a particular joy of life. We take a long time over it and look at applications in considerable detail. However, where those processes take that course, it can be difficult for people who are trying to take forward permitted development. The listing process makes things incredibly complicated and expensive. I hope that the Bill has something to say about that, particularly in view of the joyous phrase "development in the curtilage" of a listed building. Again, that is seared on my brain because it just means, "Look out, chaps. You are going to take an awful long time to get through this, and everybody is going to have an opinion on it, and it is going to take a long time, therefore, to reach some conclusion." That is not fair to someone who is desperately keen to do something with a particular property.

Much as I see the process as democratic, and one that should be transparent, I hope that we can sometimes speed things along. It is not much good if we find that the process has resulted in the eventual destruction of a building either because it was too expensive to go through the process or, dare I say, because the building was in such a poor state of repair at the end of the process that all we have done is use the process in an adverse way and failed to foresee how we could have dealt with it differently.

I hope that my right hon. Friend will say some interesting things about what the Bill might do to expedite the process of listing, how we might get the process to be even more transparent—it is, as I said, democratic—and, in particular, how we can list what we should be listing and not list what we should not be listing. We need to tell people quickly that we want to get rid of that system because it is not helpful if the process hangs over everyone's head.

8.26 pm

Mr. Andrew Dismore (Hendon) (Lab): I congratulate my hon. Friend the Member for Stockport (Ann Coffey) on securing the debate. She has made some extremely important points. I do not want to detain the House for long. I was not planning to speak, but as we have a bit of time, I thought I would mention one or two things.

It seems that when the listing notice comes through the letterbox, common sense goes out of the window. We need to get some common sense into the process, which is what my hon. Friend advocated. I suspect that we do not have to look any further than this building to see some of the problems that arise. Our staff struggle to maintain it in accordance with the requirements of English Heritage, which often fly in the face of common sense and what we need to do to make what is, in effect, a museum building suitable for a modern Parliament. That is frightening. No one is talking about messing around with the Chamber, but a bit of common sense needs to be applied to how some of the offices and rooms upstairs are maintained and improved, which is prevented by English Heritage.

I want to mention two buildings in my constituency, one of which is not listed and one of which is. The one that is not listed perhaps ought to be, but everyone is frightened of the consequences of going down that route because of what it would mean for its development. The building in question is the officers' mess in Inglis barracks. The barracks have been the home of the Middlesex Regiment for some time. When the regiment moved out, it was replaced by British Forces Post Office. Indeed, Inglis barracks are named after Colonel Inglis, who was a hero of the Peninsula war and gave the Middlesex Regiment his nickname, "The Diehards", from the battle of Albuera—but I digress.

The officers' mess is a wonderful old building. I am not sure whether it merits listing, but it certainly merits preservation. To its credit, the local authority has been fairly co-operative, but the Army has moved out and the whole site is to be redeveloped to provide at least 2,000, or perhaps 2,500, homes. The question is what is to happen to the wonderful old building at the top of the site. What will happen to the Middlesex war memorial and others nearby? As my hon. Friend implied, if it is listed no developer will be able to make anything of it. It will go to rack and ruin: either it will eventually fall down of its own accord, or it will simply be neglected.

We are left with a wing and a prayer. We hope that when the site is developed, whoever buys that part of it will find a use for it—perhaps as a conference centre—and will be able to preserve it without its having to be listed. We also hope that the local authority and the local community will work together to ensure that it is preserved for functional purposes, but that adjustments may be possible that might not otherwise be possible, for reasons cited by my hon. Friend.

My second example is of a building that has been listed. My constituency contains the site of the former Hendon aerodrome. I believe that it was the first aerodrome in the country; certainly it is the site of the first aircraft factory, operated by a chap called Claude Grahame-White. It is now the site of the RAF museum and a housing estate. There is also a new development on the last unoccupied part of the estate—formerly known as RAF East Camp, now known as Beaufort Park—and the developer is putting up a couple of thousand houses there as well.

The original planning permission for part of the development meant that the then derelict Claude Grahame-White aircraft factory, dating from before the first world war, had to be relocated, lock, stock and barrel, to the RAF museum site. It cost a fortune, and it looks wonderful. The relocation was a magnificent operation. The first world war aircraft collection is housed there—but so is the former RAF watchtower, also a listed building of the highest category. The original plan was for it to remain in the middle of the development and be used as, for instance, a health centre. That idea has fallen through, and the current plan is to move the watchtower to the RAF museum site, which will involve a rather complicated land swap and a very complicated financial arrangement. The developer is putting in the cash.

The watchtower is almost falling down. It will have to be taken down virtually brick by brick and rebuilt on the site, where it will be used as an education centre. That is a brilliant idea, but English Heritage, perhaps being less co-operative than it might be, is insisting that this derelict building—which will be erected in the middle of a new housing estate, surrounded by big buildings—must be marketed, and marketed in a particular way. The project will take months to complete, with the net result that a very complicated deal could well fall through, although I hope it will not.

There is plenty of good will on the part of the museum, the developers and the local authority to ensure that the deal does not fall through, but it could fall through because of English Heritage's ridiculous requirement. No one in their right mind would buy a derelict watchtower in the middle of a new housing estate with which nothing can be done. There is a wonderful function planned for it where it belongs, in the middle of our RAF heritage only a couple of hundred yards away, and it would be restored as part of the process rather than being allowed to fall down. Yet we run the risk of the whole scheme falling to pieces—literally—because of the approach that has been adopted. Where has common sense gone? A wonderful historic building in my constituency may not be restored and used for a sensible purpose. Moreover, a site that could be used for significant housing development may not be used for that purpose either.

I think that this is what my hon. Friend was getting at. The current process means that buildings that should be preserved may not be preserved as well as they could be because of developers' fears of what may happen, a point referred to by my hon. Friend the Member for Stroud (Mr. Drew). When a building is listed, all the attendant hassle can be counter-productive in preventing us from preserving our wonderful heritage, which is what we are trying to do.

I think that both those constituency examples illustrate the need for a common-sense approach that, unfortunately, seems sometimes to be lacking in the existing process. I hope that my right hon. Friend the Minister will be able to assure us that the new system will allow for such an approach.

8.33 pm

Mr. Fraser Kemp (Houghton and Washington, East) (Lab): I, too, will not detain the House for long, but I am grateful for the opportunity to speak. I congratulate my hon. Friend the Member for Stockport (Ann Coffey) on securing the debate, which is relevant to the draft Heritage Protection Bill.

I believe that the listing process has, in principle, been very advantageous in guaranteeing the protection of many of our industrial sites. I agree that it should be brought up to date, but I think that without it many parts of Britain would be much poorer. I feel that heritage is important, and like other Members I actively promote it because of its economic benefits. However, there are other stronger, deeper reasons why we promote heritage.

My constituency is not one that the uninitiated would automatically assume had a range of listed buildings, but it has many, which people might find surprising. A lot of those buildings tend to be industrial. There is the Washington "F" Pit museum; Washington old hall, the ancestral home of George Washington; and Penshaw monument, which was built to commemorate Lord Lambton, or Radical Jack as he was known because of his support for the 1832 Reform Act. There are many examples in the constituency where listing has helped.

It would be remiss of me not to mention the brave campaign of the Ryhope allotment holders, who a decade ago won listed status for their pigeon cree—the world's only listed pigeon cree. We use the term "cree" in the north-east, but many will know it as a loft. The honourable Tony Banks, a former Member of the House who is no longer with us, supported and secured that listing. I dread to think what would have happened to that early example of a pigeon cree without it.

There has been tremendous support for the cree. The men were particularly heartened on Christmas eve when they held a vigil in support of the pigeon cree, and the Prime Minister congratulated them on the 10th anniversary of its having received listed status. The Secretary of State for Culture, Media and Sport visited earlier this year and met the men involved. Last week, I received a letter with American stamps on. When I opened it, I found it was from a Hollywood superstar and his wife, who had appeared in panto in Sunderland and had read about the Christmas eve vigil that we held with local children to support the cree. That letter was from Mickey and Jan Rooney, who are still going strong and who are of a ripe old age. They wrote to me, and via me to the men, to say how much they supported the campaign and that they would be more than keen to do anything that they could to help.

I have given those examples for a reason. In what is a fast-moving world, particularly for young people, listing and our industrial heritage provide a compass point. There are fewer and fewer things that unite us, because it is a disparate world that we live in. Heritage is incredibly important, not just for the physical representation but for what that physical representation means.

People see the winding gear at Washington "F" as a symbol. The pit heaps and other traces of our industrial past may have gone, but what lives on through communities is the sense of comradeship and belonging, and the values that were strong in years gone by. That is why I support the Bill that is coming before the House.

There has been an explosion of interest in heritage. It has been great to see locally that miners' banner groups have been formed in Washington and Herrington Burn and are putting on displays. Local people are getting involved. A local school is celebrating its centenary: last week, I visited the John F. Kennedy primary school, where local children have worked with pupils who attended the school in the 1930s and they have all come together to support their heritage. Heritage is important as it can give us that sense of community. In many ways, changes in society mean that we do not always have as strong a sense of community as we had in the past.

8.38 pm

The Minister of State, Department for Culture, Media and Sport (Margaret Hodge): We often have very good debates on the Adjournment and the contributions of all hon. Members tonight have been very important. I congratulate my hon. Friend the Member for Stockport (Ann Coffey) on securing the debate. I formally

[Margaret Hodge]

acknowledge in the House the excellent work that she does on behalf of her constituency, both in the constituency itself and in representing her constituents' interests in Parliament. I have discussed with her informally on a number of occasions the issues that she has raised formally during the debate. I am pleased that she has been able to put her concerns on the record. We have a draft Heritage Protection Bill, which the Culture, Media and Sport Committee is currently considering, and I hope that it will take into account the comments of the Members who have spoken—none of whom serves on the Committee—when making its representations to Ministers as we take the Bill forward.

Let me begin by endorsing what my hon. Friend the Member for Houghton and Washington, East (Mr. Kemp) said. Like him, I firmly believe that, at its best, conserving our heritage, including our industrial heritage, is crucial to building strong communities. Sometimes the best of community spirit comes out of celebrating and understanding our past, and of using that to reflect the values of the present and to inform how we think about the future. Heritage, at its best, has a very important role to play in building identity, cohesion, a sense of community and strong communities.

Every city, town and village in our country is made up of a collection of buildings that portray how it has evolved over time. There is a duty on all of us in government to make a list of those buildings that are of special architectural and historical interest. The way in which we designate them is intended to allow the planning system—we will come on to whether or not it works—to protect the buildings and to enable the management of our heritage to be carried out in such a way as to ensure that we leave a legacy for future generations that reflects the strength of our past.

I want to pick up on various issues raised by my hon. Friends the Members for Stockport, for Stroud (Mr. Drew) and for Hendon (Mr. Dismore), but with particular reference to the comments of my hon. Friend the Member for Stockport. She talked a lot about the transparency of the system. She then talked about our having a clearer understanding of, on the one hand, the roles and powers of English Heritage, with its responsibilities for listing and the listing system, and on the other, local authority planning departments and officers and what they have to do within the planning framework. She also talked about the importance of English Heritage giving a clearer indication, when it lists, of the implications of listing—the features that would need to be listed and retained, and matters on which it would have a view and on which listed building consent to alter the building would be required. She talked about the importance of subsidiary criteria to which English Heritage should have regard in listing decisions—not just the statutory criteria, which are those of special architectural and historical interest, but also the wider economic and regeneration implications of listing. Finally, she talked about whether we should have a separate heritage budget so that the costs of protecting our heritage are much clearer. I would like to deal with each of those points.

My hon. Friend the Member for Stroud has talked to me at length outside the Chamber about the issues that his constituency faces. He will understand that the hospital issue is currently under consideration, but I will say to him that I have asked that the relevant health authorities also have the opportunity to put in their representations so that I can balance them against the representations of English Heritage. He raised a number of issues that I shall address. One is the importance of marine heritage assets. We address that issue in the draft Heritage Protection Bill, and I agree with him that we will want to bring the management of those assets into the more coherent framework that we are attempting to establish through the Bill.

Such an approach will allow proper protection and celebration of those assets, which are important in Britain, given that it is an island and is thus surrounded by a lot of sea. I believe that 12 miles of sea is in the ownership of the Crown, so we have to employ a complicated mechanism to ensure not only that the Crown takes its proper responsibilities, but that it is properly compensated for any work that it has to do in protecting marine heritage assets. I would like to reassure my hon. Friend the Member for Stroud that we are examining the whole issue of marine heritage assets and how we can best ensure, in this radical review of how we manage all our heritage assets, that such assets will also get their proper place in the ecology of our heritage.

Mr. Dismore: My right hon. Friend is making an important point; I grew up by the seaside, so I feel very attached to the things that she is saying. Could she say how that approach fits in with the draft Marine Bill, which deals more with the natural heritage around our coastline? Could she say a little about how the two aspects will interlink?

Margaret Hodge: I am conscious of the fact that the two measures have been drafted in such a way as to ensure consistency in our approach, although I have yet to look at the draft Marine Bill to see precisely how those links are properly established. My officials have told me that in the drafting of our Bill, we have been conscious of the fact that two measures are being considered.

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I wish to intervene to make two points. First, I would not want the right hon. Lady to find herself all at sea in terms of what we are meant to be discussing. Secondly, although she was seeking to address her hon. Friend, it would be helpful if she could remember that the microphone is important if her words are to be recorded properly.

Margaret Hodge: I am grateful to you, Mr .Deputy Speaker, for drawing my attention to that point. I certainly want to swim, not sink. I am in slight danger, on this territory, of not yet being totally familiar with the content of the draft Marine Bill, but it is my job, as the Minister responsible for taking the draft Heritage Protection Bill through the process of consideration by both Houses of Parliament, to ensure consistency.

My hon. Friend the Member for Stroud also mentioned the importance of democracy in how we consider whether we should list assets for future generations. I agree with him that, on the face of it, we consider such things in a very democratic way; anybody can ask English Heritage to consider whether to list a particular building. Interestingly, the owner of a building need not be informed that such an application has been made, and, therefore, that the process of considering whether or not to list has been undertaken.

Mr. Dismore: Two different principles are at play here. One hates to see an order made about other people's property without their knowing about it in the first place, but there is always a risk, given the length of time that the process takes, that if a building owner is told that an application to list a particular property is being made, they might knock the building down before the decision is taken. I believe that that happened in a case relating to Kensington town hall a little while ago. One of the real problems that we face is that there is no stop notice arrangement, whereby once an application has been made, it protects the building from demolition while the process is under way. Perhaps my right hon. Friend might think about providing in her Bill that once an application is made, no action can be taken to knock a building down until the process is completed.

Margaret Hodge: My hon. Friend takes the words out of my mouth. The way in which we propose to handle that point in the draft Bill is to ensure that the owner is given the right to know that an application to list has been made. We will couple that with a new provision that once an application has been lodged, no action can be taken to demolish or alter the building until consideration of the application has been concluded. Those two new provisions will ensure a much fairer and more democratic—to use the words of my hon. Friend the Member for Stroud—approach.

Mr. Kemp: If certain owners of buildings that may be listed were given warning, the danger would be that some of our heritage would be lost. Some people just lease out buildings. The people who love buildings, look after them and want them listed are not necessarily those who might want to develop a site. The stop notice would need to be coupled with tough and effective penalties and enforcement measures. A £5,000 fine will mean nothing if a developer stands to make millions of pounds from developing a site.

Margaret Hodge: That is a very pertinent observation. My officials and I are currently considering how we should modernise the penalty regime to make it relevant to the 21st century through draft clauses for the Bill. I shall take away that thought. Consideration of the draft Heritage Protection Bill will be the first time in a generation that both Houses of Parliament will have the opportunity to consider this hugely important aspect of our environment. We are constantly reflecting on how to achieve a balance among the rights of the individual owners, protecting our heritage and facilitating modern development to encourage buildings that are fit for purpose today.

Ann Coffey: My right hon. Friend mentioned how buildings will be designated in the future, and I wish to give her another example. A town such as Stockport will have five or so school buildings from the turn of the last century that are all very similar. An application will be made to list one of those buildings, and it will rightly be listed because of its architectural value. Six months later, another application may be made to list one of the other very similar schools. When applications to list buildings are considered, some information should be provided about whether similar buildings in the area have already been listed. The local authority should perhaps be required to consider all similar buildings and make an application for one of them to be listed. Otherwise, five years later all five will have been listed, but they are all the same.

Margaret Hodge: Some interesting issues emerge as we think about the new regime that we want to bring in to protect our heritage. I have felt in the year for which I have had responsibility for this area of policy that all too often those who are immersed in the world of heritage protection have a distinct view that does not relate to the view of many people with other interests in society.

Mr. Kemp: I know from personal experience about the elite in heritage protection. As I mentioned earlier, because Tony Banks came and visited the site in my constituency he was able to go back, engage in discussion and ensure that it was listed. If he had not been prepared to make a 600-mile round trip as a serving Minister, to see the site and to talk to the people, I am not sure that things would necessarily have happened that way. Does the Minister agree that the Bill needs to include some sort of process? I hesitate to use the word "re-education", as it sounds a little Soviet, but there needs to be a wider understanding among the heritage elite that listing is not just about certain types of buildings. It should be about something that represents millions of people, their pastimes and their employment in Britain, too.

Margaret Hodge: I could not agree more with the sentiments expressed by my hon. Friend. Our industrial heritage and working-class heritage are also crucial.

There is a real difficulty, which we are debating tonight, with buildings of relatively recent construction. On the whole, buildings are not listed according to a thematic review. One would like to get to a position where English Heritage, as the responsible authority, would decide to look at all the schools in Stockport, all the churches in Hendon or all the pigeon crees in Houghton, and would take a view, looking at the matter thematically, about what we should conserve for future generations. At present, that does not happen. We tend to have a spot-listing system whereby a planning application is submitted to demolish or alter a building and somebody with a heritage interest, usually somebody connected to one of the national organisations that are particularly concerned with heritage matters, will submit an application to list.

Mr. Dismore: My right hon. Friend made an important point, which she then started to move away from, about the question of very modern buildings, which might be only a few years old. We have some wonderful architects in our country designing some wonderful buildings. One has only to look at the Gherkin, for example, which is one of my favourites. That ought to be a listed building, and perhaps we ought to list it now rather than in a few decades' time. How do we ensure that our wonderful modern architecture is preserved and that we do not simply end up preserving Georgian, Victorian and Edwardian town halls, for example? How do we ensure that we reflect throughout our listing process the full range of our country's thousands of years of architecture?

Margaret Hodge: During my preparations for tonight's debate, I came across Westminster bridge after having visited Stonehenge today, and thought, "I wonder whether anybody has put in an application to list Portcullis House." I do not know what advice English Heritage would give about that building; I am not allowed to prejudge these matters, as I make the final decision. There are some splendid modern architectural buildings, but the judgment that we have to make, which is much more difficult in relation to relatively recently constructed buildings, is about which buildings will be hugely important and which buildings future generations will want to see so that they can understand what life was like in the 20th and 21st centuries. Those are incredibly difficult judgments.

On the whole, applications for listing, particularly of recently constructed buildings, tend to be for public sector buildings, such as schools.

My hon. Friend the Member for Stockport asked an important question about the costs that arise when a building is listed and its conservation thus ensured. No consideration is given to the cost or resource implications of listing; indeed, it would be completely unlawful to take them into account.

People in the heritage world say that buildings should be listed only on the basis of their architectural or historic value or special interest. Listed building consent comes through the planning system, and the decision about whether that should be given is the appropriate context for thinking about the economic implications of a decision to maintain, alter or demolish a building.

Ann Coffey: The difficulty is that consequences follow immediately from the decision to list a building. It is strange that when a decision about listing is challenged, it is said to be somebody else's problem. Surely the intention when listing a building must be to protect it, because it is seen as special. It appears that the very act of listing a building sets off a train of events that means that that building will fall down seven years later because the resource costs of development are too great. The process almost determines that the building will be demolished, not preserved.

Margaret Hodge: My hon. Friend made that point at the start of the debate, and she is right to have done so. The existing legislation contains provisions—we are proposing similar provisions in the draft Heritage Protection Bill—so that in the circumstances that she describes, two things can happen. First of all, grants are available from the Heritage Lottery Fund or English Heritage that can be used to support the maintenance and conservation of buildings. Secondly, the draft Bill provides that either English Heritage or a local authority can take responsibility for carrying out essential repairs to conserve the building. The body involved could either meet those costs or pass them on to the building's owner.

However, our concern is similar to the one that my hon. Friend expressed earlier, and it is that local authorities may be reluctant to take action to list for fear that the cost of repairing or enhancing the building might have to be borne by local council tax payers.

Mr. Dismore: Is it better to have half a cake or no cake at all? That question is at the heart of the argument presented by my hon. Friend the Member for Stockport (Ann Coffey). We have all seen the television programme in which one wonderful building is chosen from each region and then the whole nation votes—that shows how popular this subject is—on which should be preserved. As a result, the other 10 or 11 buildings, or however many of them there are, are left at risk of falling down. The programme shows the state of all the buildings, and how urgent it is to find the money to restore them. However, despite all the publicity and national effort, only one of the wonderful buildings shown in each series can be preserved. How many buildings are simply falling down for lack of money? Might not some other approach—perhaps a lessening of the restrictions—be appropriate? That might allow us to succeed in preserving something of a building, even if not the whole thing.

Margaret Hodge: That is an extremely interesting line of argument. I hope that the Select Committee will have regard to the proceedings of the House this evening when they consider what advice to give me.

I have been reflecting on a whole range of issues, especially in connection with recently constructed buildings and in particular because so many of them have to be funded through the public purse. Let me take an example that will be familiar to my hon. Friend the Member for Hendon. The old London county council fire stations were all constructed at about the same time, and many of them are splendid parts of our English heritage that we would want to conserve. However, there is a little problem: a modern fire engine cannot get into an old LCC fire station. What can we do about that? Clearly, we want future generations to be able to see some of those fire stations, and to see what wonderful, aesthetically pleasing, architecturally well-constructed buildings they are, and what their historic value is—what they add to the community. Clearly some of them can be used for other purposes. They could be, and have been, used to create housing units or flats. However, the chair of the authority with responsibility for the fire service came to see me—I am trying to think what the authority is called.

Mr. Dismore: LFEPA.

Margaret Hodge: It was the previous chair; this was some three or four months ago. She said, rightly, that there were parts of London where the fire authority had looked for an alternative site for a fire station, to ensure the safety of the local population, but were unable to identify such a site. The result of listing old fire stations would therefore be to put at risk the health and safety of residents in London. In those circumstances, the question that we ask ourselves is whether a thematic review could be undertaken of all the fire stations built by the LCC, and whether we could decide on a few that we wanted to list and conserve for future generations, without feeling that we had to conserve the lot.

Mr. Dismore: Again, that is the halfway house argument. What I was saying from a sedentary position is that the name of the organisation is LFEPA, the London Fire and Emergency Planning Authority. Surely there are two aspects to this issue. First, there are fire stations that should be preserved pretty much as fire stations, perhaps even as museums. Secondly, there are buildings that are worth preserving, but with a different function. For example, in Hammersmith there is a brand-new fire station, and the old fire station has been turned into a bar. The façade and the building are still there, but the building has a different function. It is not preserved in the listed sense, because it has been completely knocked about, but there is still something left of it, although the whole lot has not been preserved.

Margaret Hodge: I agree entirely. I cannot find the words in my notes, but at present one cannot have regard to the fact that there are a number of old fire stations, and that preserving and listing a few would be sufficient for ensuring that future generations could enjoy our current structures.

My hon. Friend talked about the way in which common sense appears to go out of the window in the listing system, and he gave the example of two buildings in his constituency. I have had to deal with watchtowers in a number of constituencies across England in the past few months. I wonder whether, when derelict buildings become heritage assets, there is a point at which we perhaps take the wrong view.

Let me help with a few facts. There are 2,000 applications every year to list, and 30,000 applications each year for listed building consent. There are only 100 cases a year in which alterations to listed buildings are agreed and buildings are demolished. The system is very slow. English Heritage tries to make a decision within six months, but the process can take longer. As all hon. Members have said, seeking listed building consent is also extremely slow—but there are reasons for the delay. The planning guidance states:

> "once lost, listed buildings cannot be replaced; and they can be robbed of their special interest as surely by unsuitable alteration as by outright demolition."

I hope that the new system will speed up consideration. We are cutting out the duplication, so English Heritage will make the decision. I hope that the process will be much more transparent, that the owners will be notified and that there will be a much better description, in much more accessible language, of what is being listed and why. That would help. In response to my hon. Friend the Member for Stockport, I undertake to look further at how we can improve transparency. I will write to her about that.

My hon. Friend talked about the separate roles of those with responsibility for listing—that is, English Heritage representatives—and those who give planning permission for listed building consent. We need to improve the professional and public understanding of those separate roles. I undertake to consider that and see what further work I can do, and I shall come back to my hon. Friend. English Heritage has the information, and I agree with my hon. Friend that in the interests of transparency it should be able to provide it.

We are in much more difficult territory in respect of the criteria for listing. At present, there is a hierarchy of criteria. The statutory criteria relate to historical and architectural interest, and, as we have said, there is no discretion on selectivity. Beneath that lies the planning policy guidance note, which we are reviewing; we will see whether we can have regard to some of the issues raised tonight. Beneath that, English Heritage has introduced selection guides, which provide the technical information demonstrating the features that need to be considered. Again, we can look at that.

However, if hon. Members wish, as they have suggested, to try to alter the statutory criteria, they will need to do so through the process of considering the Heritage Protection Bill. I have to say that that idea would be highly contentious for many other stakeholders in the heritage world. However, this conversation between parliamentarians and that world is important and needs to take place.

My hon. Friend raised the issue of separate accounting. That is pretty difficult, but I have great sympathy with the motivation for it. Why should money set aside for education facilities be used to protect heritage assets? My hon. Friend's request is fraught with practical difficulties, but I shall have a look at it and come back to her. This debate has been really interesting. I thank hon. Members for their contributions, and I draw my comments to a close.

Question put and agreed to.

Adjourned accordingly at twelve minutes past Nine o'clock.

House of Commons

Wednesday 16 July 2008

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

INTERNATIONAL DEVELOPMENT

The Secretary of State was asked—

Western Sahara

1. **Jeremy Corbyn** (Islington, North) (Lab): How much aid to refugees from Western Sahara living in camps in Algeria his Department plans to provide in 2008-09. [218944]

The Parliamentary Under-Secretary of State for International Development (Mr. Gareth Thomas): The Department supports Western Sahara through its share of the budget of the European Community Humanitarian Aid Office—ECHO—and contributions to the UN refugee agency, the United Nations High Commissioner for Refugees. ECHO plans to provide some €10 million in 2008 to support Western Saharan refugees, while in 2007 UNHCR spent some $2.3 million on supporting them.

Jeremy Corbyn: I thank my hon. Friend for that reply and the Government for the considerable amount of aid that they have given over many years to support the refugees from Western Sahara, who live in camps in Algeria, but can he help me? What pressure has been put on the United Nations to ensure that the people of Western Sahara have a free choice and a vote in a referendum to decide on the future of their territory, which we believe to be occupied by Morocco illegally at present, and thus allow people, who have spent 35 years in refugee camps, the right to return home and resume a normal life?

Mr. Thomas: My hon. Friend knows from his extensive interest in the issue that there has been a series of UN Security Council resolutions, which we have supported, calling for a solution that provides for the self-determination of the people of Western Sahara. I suspect that he also knows that talks were held in New York in June and August last year and in January and March this year. This year, we have similarly supported the UN Secretary-General's call to encourage the parties to enter into a more intensive and substantive set of negotiations. We want them to start as soon as possible.

Mr. David Drew (Stroud) (Lab/Co-op): I hear what my hon. Friend says, but does he also recognise that Morocco is seeking special status from the EU? One of the pressures that we as a community in the EU could bring to bear is to make it clear to Morocco that we want the UN resolution on Western Sahara fulfilled. Will he talk to the Foreign Secretary about that?

Mr. Thomas: I know that my hon. Friend has also taken a close interest in the issue and I am obviously happy to draw his remarks to the attention of my right hon. Friend the Foreign Secretary. He knows that discussions are already taking place between the EC and Morocco, for example, to ensure that human rights issues are properly monitored in Western Sahara. He also knows that there is a UN Group of Friends of Western Sahara, of which we and several other European Union member states are part. That is one way in which we can support the UN Secretary-General's call for further intensive negotiations to try to resolve the matter and genuinely support the right of the people there to self-determination.

Afghanistan

2. **Mr. Peter Bone** (Wellingborough) (Con): What recent assessment he has made of the humanitarian situation in Afghanistan; and if he will make a statement. [218945]

The Secretary of State for International Development (Mr. Douglas Alexander): Joint analysis by the Government of Afghanistan and the World Food Programme indicates that 4.5 million people face greater food insecurity. The UK Government have already committed £6 million in response to the World Food Programme appeal in Afghanistan. In addition, the Government of Afghanistan have taken a series of short, medium and long-term measures to address the issue. In support of that, the UK Government will provide a further £3.5 million for seeds and fertilisers to increase food production.

Mr. Bone: Our servicemen and women in Afghanistan do an extraordinary job, not only in fighting terrorism but in providing humanitarian aid to civilians. I am sure that the Secretary of State will join me in praising them for their work. However, will he give his frank assessment of whether our European counterparts are pulling their weight?

Mr. Alexander: I will, of course, join the hon. Gentleman in paying tribute to the brave servicemen and women of our country, who are currently serving in Afghanistan. I had the great privilege of meeting them only the week before last, and I am sure that I speak for the House when I say that they are simply the best of British. Of course, they continue to work alongside the community in Helmand, but I also took the opportunity on my visit to meet Kai Eide, the UN special representative, and urge him to ensure that not simply other European countries but other international partners—we are one of a 38-strong international coalition in Afghanistan—work together more effectively in co-ordinating the international development effort. We have not only to prevail militarily in Helmand on the basis of the bravery of our servicemen and women, but to ensure that the Government of Afghanistan have an effective development strategy.

Paul Flynn (Newport, West) (Lab): What effect on the humanitarian situation in Afghanistan has the recent terrible accident, in which an American aircraft, in three separate strikes, killed 47 Afghan civilians, mostly women and children, at a wedding party, had? Cannot we make representations to our NATO allies to say that, in these days when wonderful surveillance is available, such terrible accidents should never take place?

Mr. Alexander: Of course the loss of any civilian life is to be regretted. That said, I heard from the servicemen and women of the United Kingdom whom I met the extent to which we rely on effective co-operation with our allies in the United States. Let me place on record my gratitude for the continuing efforts of all 38 countries, who are clear that they stand together in solidarity and in support of the democratically elected Government of Afghanistan. The people who have the greatest number of questions to answer are those insurgents who seek to frustrate the democratic will of the people of Afghanistan and who still seek to burn schools, behead teachers and drive women back into a previous era, when they were not allowed to enjoy the opportunities that are available to them in Afghanistan today.

Mr. Gregory Campbell (East Londonderry) (DUP): What progress is being made in Helmand province, where our brave servicemen and women are doing so much to try to restore stability, on restoring something like normality for the indigenous population there? What investment and resources are going into Helmand?

Mr. Alexander: I can assure the hon. Gentleman that significant resources are going into Helmand. It was to examine that that I took the opportunity to visit Helmand, not simply seeing Camp Bastion, the main United Kingdom base, but moving out to forward operating base Delhi and seeing for myself the work being done there. When one goes to communities such as Garmsir and sees smallholders who are now able to open shops, or visits a clinic where midwives are being trained or a school that there are plans to develop in the months ahead, one sees the practical difference that is being made. However, that is contingent on the security environment. That is why the service and the sacrifice of our men and women are so important.

Mr. Mark Lancaster (North-East Milton Keynes) (Con): During a recent visit to Afghanistan, my hon. Friend the Member for Sutton Coldfield (Mr. Mitchell) and I met the head of the counter-narcotics police in Helmand, who told us that, as a result of a UK Government decision to stop directly funding his unit and instead rely on the dysfunctional Ministry of Justice there, no funding had been received since March. Does the Secretary of State agree that although building capacity is important in Afghanistan, it is equally important that we have greater flexibility in delivering aid and support to provincial ministries, rather than to national ministries?

Mr. Alexander: The hon. Gentleman raises an important question. When we look at the progress that Governor Mangal has made in Helmand just in the past few months, it is reasonable that we should look at what support can be offered to the governor's office and to those provincial authorities working in Helmand. That said, although the challenge of counter-narcotics is complex, at its heart is a simple equation. Where one has the rule of law and security, it is easier to enforce an opium-free environment than where that security is lacking. That is why, regrettably, there was a rise in opium production in Helmand previously, given the insurgency and the security situation. However, on the basis of the visit that I paid the week before last, I can say that there is a quiet optimism that we will see progress not simply on the number of poppy-free provinces but, potentially, in Helmand. We will have to wait for the official figures, and there is a long way to go—it took neighbouring countries years to rid themselves of opium production—but I assure the hon. Gentleman that work is under way to ensure that we make progress there, too.

Mr. Michael Moore (Berwickshire, Roxburgh and Selkirk) (LD): May I associate myself and my hon. Friends with the tribute paid to our armed forces in Afghanistan and to the many brave officials in the right hon. Gentleman's Department, in other Government bodies and in British non-governmental organisations who put themselves at great risk for long periods? Recent reports from the World Bank and the agency co-ordinating body for Afghan relief have been highly critical both of the failure to deliver on previous pledges of assistance and of the nature of the assistance provided. Following the recent donor conference, what new mechanisms are now in place to ensure that the money gets there and, when it gets there, that it is used effectively?

Mr. Alexander: The foundation on which the discussion took place in Paris was the Afghan national development strategy, which provides a framework within which aid can be disbursed. That is why the conversations that I held with Kai Eide were so important. They were an opportunity to impress on him the urgency and importance that the Government attach to more effective international co-ordination. I have of course seen the reports to which the hon. Gentleman refers. It is therefore worth reminding the House that 80 per cent. of our development support to Afghanistan is provided through the Government of Afghanistan. One of the principal criticisms was that a significant proportion of aid from other countries was being spent outside the country and outside Government of Afghanistan mechanisms. Approximately 90 per cent. of UK Government aid is being spent in-country, so we start from a strong place in both conversations with our other international partners—for example, the conversations that I have been having with Henrietta Fore, the head of the United States Agency for International Development—and conversations with Kai Eide, whose job, on behalf of the Secretary-General, is to try to achieve better co-ordination.

G8 Summit

3. **Malcolm Bruce** (Gordon) (LD): What the outcome for development policy of the G8 summit was. [218946]

The Secretary of State for International Development (Mr. Douglas Alexander): Last week's summit, as the Prime Minister made clear in his statement to the House, reiterated G8 commitments to delivering $50 billion in extra aid by 2010, with $25 billion going to Africa, and $4 billion in aid for trade and universal access to HIV/AIDS treatment by 2010. The G8 has also pledged more than $10 billion for food security, $60 billion over five years for health, 1.5 million more health workers, 100 million bed nets by 2010, and $1 billion for the education fast track initiative.

Malcolm Bruce: I thank the Secretary of State for that reply but, given the recent statement by the president of the World Bank that soaring food prices have put more than 100 million people back into extreme poverty, and the world into a danger zone, does the right hon. Gentleman agree that, if we are to deliver in Africa, tackling the drag-anchor problem of Zimbabwe is absolutely imperative? Given the failure of the UN Security Council resolution, will he make it clear that we now expect the southern African countries to unite in solving that problem, so that the aid and development that we are rightly contributing will be effective?

Mr. Alexander: As I am sure the right hon. Gentleman is aware, our Foreign Secretary was in southern Africa only last week, and he took the opportunity to have discussions with the Government of South Africa. Of course it is to be regretted that there were those who chose not to support the Security Council resolution, although we were encouraged by the terms of the G8 communiqué, which did make some progress. The opportunity now is twofold. First, we want to see further action through the Mbeki process that is being taken forward on behalf of the Southern African Development Community. Secondly, there will be a further opportunity in the days to come at the General Affairs and External Relations Council of the European Union, where we will press for further European sanctions. I can assure the House that we will continue to be unstinting in our efforts to support the initiatives being taken within Africa—not only in SADC but in the African Union as well—and that we will not miss any further opportunities, not least at the upcoming General Affairs and External Relations Council, to press the case and to say that we want to see real progress so that the voice of the Zimbabwean people can be reflected in their Government.

Mr. Tom Clarke (Coatbridge, Chryston and Bellshill) (Lab): At the summit, were the Government in a position to reaffirm their commitment, made at Gleneagles, to achieving the United Nations target of 0.7 per cent. of gross national income? If so, that would take us ahead of most European Union countries.

Mr. Alexander: I am able to give my right hon. Friend the assurance that he seeks. We are continuing to pursue our goal of 0.7 per cent., and the spending review settlement that we secured only last July reflects the determination across the whole of the British Government to pursue that goal. Some countries, however, are not as determined as we are to achieve that goal in the time scale that we have set out, which is why we continue to use international forums to push other countries to accept their responsibilities as well.

Richard Ottaway (Croydon, South) (Con): The Secretary of State will be well aware that much of the development debate at the G8 focused on poverty. Is he also aware that no country has got itself out of poverty without first stabilising its level of population growth? In those circumstances, to what extent is that factor being put into his own policies?

Mr. Alexander: Of course there is a challenge—as we are witnessing in the present food crisis—to ensure that all the mouths that are here now and in the future receive adequate food and adequate support. Equally, however, even countries with rising populations can grow enough to feed their own populations if they put in place the fundamentals, including good governance, effective macro-economic stability, improved agricultural productivity and effective trade. That is why we take a broad-minded approach in saying that we need to tackle poverty in a range of different ways. Of course, discussions on population and family planning are one aspect of that, but we recognise that there are many dimensions to this challenge.

Mr. Andy Reed (Loughborough) (Lab/Co-op): As my right hon. Friend is aware, water and sanitation made it back into the G8 communiqué after a five-year absence. Is he also aware that a cross-party group of MPs has just returned from a slum survivor event, at which we tried to highlight the fact that one in six people in the world live in slums? Water and sanitation will make an enormous difference to those people. Does my right hon. Friend acknowledge that what was said in the communiqué about a report being produced in a year is not enough? What we need is action now. Will he urge his international colleagues to put water and sanitation right at the heart of meeting our millennium development goals?

Mr. Alexander: Yes, and let me also pay tribute to the efforts that my hon. Friend has made on this issue for some time. Of course we welcome the fact that the G8 communiqué once again referenced water and sanitation, and recognised their centrality and importance not only for slum dwellers but for poor people right around the world. We are looking ahead to the high-level UN meeting on 25 September as the next opportunity to focus global attention on water and sanitation. We will have had the first annual global monitoring report by that time, as it is due to be launched in early September. I sincerely hope that the meeting will offer many others, and not just the United Kingdom Government, an opportunity to take forward the efforts to tackle this issue.

Mr. Andrew Mitchell (Sutton Coldfield) (Con): Although the G8 did, as the Secretary of State said, make some progress on development, may I return to the point made somewhat opaquely by his right hon. Friend the Member for Coatbridge, Chryston and Bellshill (Mr. Clarke) and ask whether the Secretary of State is dismayed that Canada, France and Japan actually cut their aid to Africa last year? Is it not rather difficult to promote good governance in the developing world when developing countries see some leaders of the G8 countries going back on promises made in front of the world's television cameras three years ago at Gleneagles?

Mr. Alexander: I accept that more progress needs to be made in achieving the Gleneagles commitment, but it is with genuine pride that I reflect on the fact that at Gleneagles in 2005 it was a Labour Government from the United Kingdom who said that development in Africa should be the top priority. Real progress is being made with 41 million more children in school, 3 million more children surviving every year and more than 2 million people receiving AIDS treatment as a consequence of the action taken by G8 countries. I fully recognise that more work needs to be done, which is why I applaud the global leadership taken by our Prime Minister in urging all G8 countries to recognise their responsibilities and to put poverty so high up on the agenda in Japan.

Zimbabwe

4. **James Duddridge** (Rochford and Southend, East) (Con): What recent assessment he has made of the humanitarian situation in Zimbabwe; and if he will make a statement. [218947]

5. **Sir Nicholas Winterton** (Macclesfield) (Con): What recent assessment he has made of the humanitarian situation in Zimbabwe; and if he will make a statement[1]. [218948]

The Parliamentary Under-Secretary of State for International Development (Gillian Merron): Mugabe's destructive policies continue to devastate the lives of millions of people in Zimbabwe. Half the population will need food aid by the end of the year. An estimated 36,000 people have been displaced internally, more than 100 killed and thousands injured. The decision by the Government of Zimbabwe to ban the work of many humanitarian agencies has added to people's suffering.

James Duddridge: I have had a number of harrowing discussions with Zimbabweans about the situation, so I have heard descriptions of innumerable atrocities, which are perhaps being underestimated, involving people having their limbs lopped off and being thrown alive into a fire. It is reminiscent of the discussions I had with people who survived the atrocities in Rwanda. Following the so-called election, we hope that the violence will decrease, but it is possible, with Mugabe's back against the wall, that it will increase. What contingency plans does the Department have if the violence and humanitarian situation worsen?

Gillian Merron: It is indeed a very grave situation. What we all want to see is a reforming Government based on the results of the March election, in which the people said what they wanted. Within that, we look to the stabilising of the economy, the upholding of the rule of law and the restoration of human rights. It is worth saying that, despite the ban on non-governmental organisations, we have still managed to help more than 9,000 victims of violence and displacement, many of whom were teachers and election observers. Despite that compromise, we have continued our work. On the issue of contingency, we are making every effort to get the ban on NGO activity lifted, while at the same time pursuing contingency plans to support the people of Zimbabwe in ways that we all want.

Sir Nicholas Winterton: Robert Mugabe leads a criminal and illegitimate regime and should be treated as such. With millions starving and one in five children dying before their fifth birthday, is it not time that the Southern African Development Community and the African Union did more? Is it not very saddening indeed that Russia—a country that seeks to be part of the modern world—supported by China vetoed a UN Security Council resolution? What are we going to do about it?

Gillian Merron: I certainly agree that the Security Council decision was more than disappointing. The majority wanted action and I believe that those who voted against it have a responsibility to ensure that mediation does not falter. That means being unstinting in our efforts, as my right hon. Friend the Secretary of State said earlier. On SADC, we know that AU leaders have been quite clear in their mandate to deliver a negotiated settlement and it is our belief that we need a UN envoy on human rights to support it. In the end, an African solution is needed to this problem, which is the absolute responsibility of Mugabe and his Government.

Mr. Jim Devine (Livingston) (Lab): Can my hon. Friend reassure me and my constituent, Brian Chiwara, who is from Zimbabwe, that the aid that we are giving to that country is getting through to the people and not going into the back pocket of a dictator?

Gillian Merron: I can assure my hon. Friend's constituent of that. Indeed, this morning, I spoke to our team in Zimbabwe, who are making sterling efforts despite the ban on non-governmental organisations. We are still managing to have essential medicines and supplies delivered to clinics and hospitals. We are ensuring that family planning commodities and condoms are available across the country. We are supporting HIV prevention programmes, which are continuing, and our support to UNICEF's orphans and vulnerable children programme is still helping to pay school fees for thousands of children. Indeed, 1.4 million children are being vaccinated against preventable diseases. I assure my hon. Friend's constituent and the House that no funding whatever goes through the Government of Zimbabwe.

David Tredinnick (Bosworth) (Con): Is it not the case that the Chinese would not support the UN resolution because they are busily buying up land and assets in Zimbabwe at knock-down prices? What discussions has the Minister had about that?

Gillian Merron: As I said earlier, we are disappointed that China, along with Russia, vetoed the UN Security Council resolution. Our work is to continue to persuade China to use its influence positively and to ensure that its economic trade engagement is in support of democracy, human rights and the rule of law.

Anne Snelgrove (South Swindon) (Lab): A number of my constituents have contacted me with their concerns about the effect of sanctions on Zimbabwe on the ordinary people of that country. Does my hon. Friend agree that we should not impose sanctions on Zimbabwe, but should continue to condemn Robert Mugabe?

Gillian Merron: I certainly can agree with my hon. Friend, because the test of any sanction is that it must target Mugabe and his elite, and not harm the ordinary people of Zimbabwe, whom we are here to support. We have EU measures in place, targeting the regime through a visa ban, an asset freeze on Mugabe and 130 named individuals, and an EU embargo on arms.

With the EU, we are putting together a package of measures for the General Affairs and External Relations Council, which meets next week, to extend that to include more individuals, add companies linked to key members and tighten the exemptions to the visa ban. I can assure my hon. Friend and the House that all those are targeted on Mugabe and his regime, not on the people of Zimbabwe.

Mr. Andrew Mitchell (Sutton Coldfield) (Con): Will the Government consider the possibility of publishing details of the specific support that Britain will provide for Zimbabwe once the criminal and illegitimate Mugabe regime is over? Would not that set a good example to other prospective donor nations and encourage the surrounding countries to look to the future while offering some hope to the long-suffering people of Zimbabwe for an end to their nightmare?

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[1] [*Official Report, 21 July 2008, Vol. 479, c. 4MC.*]

Gillian Merron: Our job is to get help to the poorest people in Zimbabwe to see them through this extremely difficult time. As part of that, we are using sanctions to bring people to the table, but in terms of recovery, as I said earlier, we need to work with a reforming Government. That will include full humanitarian access, the rule of law, human rights and democracy. The principles for re-engagement will be agreed by donors, and we estimate that, when it comes to it, there will be about £1 billion a year for five years. The UK stands ready to play its role, but will work with its international partners to do so.

Gambia

6. **Linda Gilroy** (Plymouth, Sutton) (Lab/Co-op): What developmental projects and programmes his Department supports in the Gambia; and if he will make a statement. [218949]

The Parliamentary Under-Secretary of State for International Development (Gillian Merron): The Department for International Development allocated £3 million this year towards programmes to improve basic education, financial governance, access to justice and support to civil society in the Gambia. We work closely with the Gambian Government and we also provide additional funding to donors such as the European Union, the World Bank and the United Nations agencies.

Linda Gilroy: I thank my hon. Friend for that response, which refers to a welcome investment in the rule of law and democracy in a relatively stable country, but does she understand the concerns of the Northfield family in Plymouth for their relative, Charlie Northfield, who has been detained without his passport since February in a country where the rule of law seems to grind exceeding slow, with the courts not yet having disclosed the grounds of the charge on which he is being detained?

Gillian Merron: My hon. Friend has done much to support the case to which she refers. Having sought the Foreign and Commonwealth Office's assurance, I understand that it is providing Mr. Northfield with full consular assistance. Consular staff are in regular contact with Mr. Northfield, most recently on 8 July. He is in good health, and treatment seems to be positive. However, I will ensure that my hon. Friend's comments are drawn to the attention of my right hon. Friend the Foreign Secretary.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [218929] **Richard Burden** (Birmingham, Northfield) (Lab): If he will list his official engagements for Wednesday 16 July.

The Prime Minister (Mr. Gordon Brown): This morning I had meetings with ministerial colleagues and others. In addition to my duties in the House, I shall have further such meetings later today.

Richard Burden: As a constituency MP as well as Prime Minister, my right hon. Friend will be aware of the problems that people face with rising household bills, including rising fuel bills—*[Interruption.]* May I say that Labour Members are aware of the problems faced by people outside the House, even if Conservative Members are not? Does my right hon. Friend share my assessment that while most people understand that the roots of those problems are international in nature, and therefore the room for any single Government is limited—*[Interruption.]*

Mr. Speaker: Order. Let the hon. Gentleman speak.

Richard Burden: The public also have a better grasp of economics than Conservative Members.

While most people understand that situation, do they not also want to be assured—

Mr. Speaker: Order. I think that the Prime Minister can answer the question.

The Prime Minister: We will continue to help hard-pressed families who are facing high fuel bills and high food prices because of what is happening in every country in the world. That is why we are raising the winter allowance for 11 million families, from £300 to £400 for the over-80s. That is why we are providing help for low-income households with their fuel bills. In recognition of the problems that people face with petrol, we are freezing petrol duty for the full year. We will bring forward further measures to help families in due course.

Mr. David Cameron (Witney) (Con): It is a wonderful thing; you do not have to finish a planted question to get a planted answer.

Since this is the last Prime Minister's questions before October, may I take the opportunity to clear up some important issues? First, this week's relaunch was based around the plan to march knife criminals into accident and emergency departments to meet their victims. Can the Prime Minister tell me who came up with that bright idea?

The Prime Minister: Everybody must be concerned about knife crime. Everybody in the House must want to take all the action that is necessary. That is why we propose tougher punishment, tougher enforcement and tougher prevention. On prevention, I think that the right hon. Gentleman would agree that the main proposal this week is that 20,000 families that are in great difficulty will have to sign contracts of good behaviour, and that 110,000 families will be subject to parental supervision. For the first time, we are taking action on all the antisocial behaviour families, and trying to deal with the root cause of the problem.

Mr. Cameron: But why cannot the Prime Minister be straight with people and tell us who thought up the idea? The Home Secretary was asked on television,

> "one of those proposals is that people caught carrying knives should be taken to see people in hospital who have been stabbed…is that correct?"

She answered yes it is. The next day, in the House of Commons, she was asked the same question, and she said no, it was not. Does the Prime Minister not understand that he will not get decent policies until he works out what went wrong last time? So let me ask him again: who thought of this bright idea?

The Prime Minister: It is right that people should have to face up to the consequences of their crimes. But I am saying—and I hope that there is all-party support for this—that there should be tougher penalties, tougher enforcement with visible policing in our communities and community support officers, and tougher prevention. The main proposal is that every problem family, where action must be taken, should be subject to parental supervision. I would have thought that that should have the support of the whole House.

Mr. Cameron: Once again: absolutely no answer—no one owns up in this Government. Let me try another issue to see if he can be straight on this one—it is car tax. The Prime Minister told me last month at Prime Minister's questions that

> "the majority of drivers will benefit from"—[*Official Report;* 4 June 2008; Vol. 476, c. 765.]

his changes to car tax. It is now clear that that was simply wrong. Will he admit that he was wrong and apologise?

The Prime Minister: I told him in the House in the exchange that we had last week that the majority will be no worse off or better off as a result of what happened. If I may say so, the Conservative party said it would support action against pollution. The leader of the Conservative party said:

> "there will be tough choices to make for the environment and I won't shy away from them for one moment".

The principle is that the less-polluting cars pay less, the more-polluting cars pay more—that is what he said to the House. On 19 March 2007, he said:

> "telling people…that you can go green without paying the price. That's not leadership. That's not substance".

But that is what he is trying to do now.

Mr. Cameron: This is not a green tax—this is a stealth tax. The Prime Minister has a nerve to lecture me on consistency. I said he was useless a year ago and I have not changed my mind since. But once again: absolutely no apology, no answer to the question. Let us see if he can give a straight answer on something else. The Government announced today that after months of dithering they are scrapping the 2p tax rise on fuel. Can he tell us whether this decision had anything to do with the Glasgow, East by-election?

The Prime Minister: It is right to announce, as we have done previously, our decision before the House rises. Let me just deal with this vehicle excise duty point and then excise duty. The former Conservative environment spokesman, the Chairman of the Commons Environmental Audit Committee, said:

> "If we are going to use bigger differentials in vehicle excise duty…they have to apply to existing secondhand cars as well".

He said:

> "the principle is the right principle".

The Conservatives said "vote blue, go green". They said they were going to take action against pollution. The minute they are challenged on it, they walk away—that is the history of the Conservative party.

Mr. Cameron: The message is vote blue and get rid of this useless Prime Minister. So the fuel duty had nothing to do with the by-election, where it is a massive issue, just as, presumably, the 10p tax U-turn had nothing to do with Crewe and Nantwich, just as the plan to call off the election had nothing to do with the polls. Once again, he cannot be straight with people. Let us try another issue—one that we are debating in the House today. The Prime Minister said MPs' expenses and allowances needed sorting out by this House, yet when there was a vote in this House, leading members of his Cabinet voted against reform, and he did not turn up. So can he tell us why he was not there?

The Prime Minister: It is very unfortunate that the actions of a few people have brought into disrepute the whole House of Commons. It is very unfortunate, because the vast majority of people who come to this House want only to engage in public service. The principles that underline the approach that the Leader of the House is announcing are that there has got to be the maximum transparency, the maximum external audit and the end of the so-called John Lewis list, and to refer these matters to the Commons Committee looking at these very issues, with a view to having a cap on mortgage interest relief and a cap on other expenses. That is the right way forward, and the right hon. Gentleman should admit that there have been problems that he has got to deal with.

Mr. Cameron: The Prime Minister had a chance to vote against the John Lewis list and he funked it—he stayed in the Downing street bunker. He could have come across and voted for it. Yet again—*[Interruption.]*

Mr. Speaker: Order. Let the right hon. Gentleman speak. *[Interruption.]* Be quiet; let the right hon. Gentleman speak.

Mr. Cameron: Yet again, when leadership was required, he would not provide any. I am beginning to think the only thing in Downing street with a spine is his book on courage. As Parliament rises for the summer, should not the Prime Minister reflect on this: everyone knows there are tough times ahead and everyone knows difficult decisions have got to be taken. Is not the one thing the British people are entitled to is a Prime Minister who can provide leadership and who can tell us the truth?

The Prime Minister: That is why, while the right hon. Gentleman continues to duck the difficult decisions, we will take them. Action against terrorism—he ran away. Education to 18—he ran away. GP access—he ran away. Action against pollution—he ran away. There are all those issues. Nuclear energy—he runs away. During the recess, he needs to address the big substantive issues. This is a Conservative party that gives no answers, offers no solution and has no substance. *[Interruption.]*

Mr. Speaker: Order.

John McDonnell (Hayes and Harlington) (Lab): A group of my constituents will be visiting the House today with a petition opposing a proposal associated with the expansion of Heathrow to drive a road through our cemetery, where many of our loved ones are buried. Does the Prime Minister appreciate that the Government now remain, apart from the most rapacious sections of the aviation industry, virtually isolated in their support for expansion of Heathrow? Can I ask him to think again and reassess the environmental, social and economic consequences of a third runway at Heathrow? This will not be interpreted as running away; this will be interpreted as being on the side of our community.

The Prime Minister: It is right to listen to communities when these big decisions are made, and it is right to take into account what local people are saying on these matters. But this is also a big strategic decision for the country and we cannot afford to duck a decision about the future of airports for many years ahead. That is why it is right in principle to go ahead with airport expansion.

Mr. Nick Clegg (Sheffield, Hallam) (LD): The Prime Minister promised to abolish boom and bust, but now we have got both: inflation is booming, the economy is bust. Energy prices are rocketing, house prices are collapsing, thousands of jobs are on the line, and food prices just go up and up every week. When will the Prime Minister accept that a winter of discontent is just around the corner?

The Prime Minister: I do not know whether the right hon. Gentleman has seen the employment figures today, but employment in this country is at its highest level ever. There are 61,000 more jobs in the economy during the last three months, and while, yes, there are problems, we have inflation that is lower than the rest of Europe and lower than America, we are taking action to take people through these difficult circumstances, which the previous Conservative Government never did when there were problems, and at the same time we are creating more jobs in this economy and we have the flexibility to enable us to withstand events. I would have thought that he would see the economy in its proper context.

Mr. Clegg: The Prime Minister is so out of touch he does not understand the scale of the problem: 5.5 million British families are in fuel poverty and all he can squeeze out of the energy companies is 26p per week for each of those families; 1.7 million people on low incomes are still waiting for a decent home, and his only feeble response is to buy up fewer than 1,500 empty properties. He is tinkering at the edges, obsessed with details. Will he take a summer break, take a step back, see the big picture and come up with real answers to prevent a winter of misery for millions of British families?

The Prime Minister: The big picture is taking action to help hard-pressed families. When the right hon. Gentleman talks about fuel poverty, he omits to mention the winter allowance paid to 11 million pensioners in this country and costing over £2 billion. When he talks about the utility companies, he is omitting to tell us that there is £100 million to help low-income families, and he fails to mention that 22 million families will receive £120 in a tax cut over the next few months. All these things are necessary to help people through difficult times, but I think that people would prefer our solutions to the problem than his.

Mr. Michael Meacher (Oldham, West and Royton) (Lab): Since most European Governments are now seeking to take joint action both to stop oil speculation helping to drive up petrol prices and heating costs and to stop vast City bonuses driving unregulated financial markets, is there any reason why our Government should not support both such joint actions from Europe?

The Prime Minister: We are, as I told the House last week, looking at this whole question of speculation in the oil market, but my right hon. Friend has to face up to one fundamental fact that is true: demand for oil, both now and in the medium term, exceeds supply. It is a reasonable expectation that more oil will be wanted in the years to come, and that is the main factor driving the price up. What we have got to do about this, as he would agree, is lower our dependence on oil. That is why we have made the big decision on nuclear power, opposed by the Opposition. That is why we also believe in renewables, including wind power, often opposed by the Opposition. That is why we want to make cars more efficient, and that is why we have incentives for fuel-efficient cars, opposed by the Opposition. These are the measures that we can take and will take, and we will take them with our European partners—again, co-operation opposed by the Opposition.

Q2. [218930] **Mark Pritchard** (The Wrekin) (Con): This week the Government finally acknowledged major affordability gaps in the delivery of the defence training review programme. Given the worsening of public finances, would the Prime Minister give an undertaking to have a review of this undeliverable and unaffordable project, and for once admit he has got it wrong?

The Prime Minister: Our defence budget is rising every year, and it will continue to rise. We will not allow the training of our defence forces to remain inadequate. We now have the second biggest defence budget in the world—*[Interruption]*—as a percentage of national income. We want to ensure that our troops are properly staffed and equipped, and that is what we will continue to do. That is why we continue to spend money not just on defence but on all the urgent operational requirements of the Army, Navy and Air Force.

Q3. [218931] **John Mann** (Bassetlaw) (Lab): I am sure the Prime Minister will wish to join me in congratulating—and perhaps will even visit—the Larwood surgery, which won a top NHS award for drug treatment last week. The system that it uses is the same GP-led model that has been introduced successfully by the Social Democrats in Sweden, the Socialists in France and Labour in New South Wales. Is it not time that we considered introducing it throughout the United Kingdom?

The Prime Minister: The Government have funded a number of initiatives relating to drugs, one of which is intended to support the rising number of GPs who are able to help with drug treatment. About 2,000 health care professionals have undertaken the Royal College of General Practitioners' primary care certificate course, which deals with drug issues.

We will learn from what is happening in Sweden, and we will continue to increase the number of people who are receiving drug treatment. I can tell the House that, even in difficult times, the number of drug misusers being helped by treatment has doubled to nearly 200,000.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): Does the Prime Minister believe that his party's wilting membership in Wales and my party's increasing membership in Wales are due to the coalition between Plaid Cymru and Labour in the National Assembly, or to his leadership here in Westminster?

The Prime Minister: The fact that there are 100,000 more jobs in Wales is due to a Labour Government and Labour Members of the Welsh Assembly; the fact that more children have been taken out of poverty in Wales is due to a Labour Government and Labour Members of the Welsh Assembly; and the fact that there are more public services in Wales is due to the funds provided by a Labour Government from here.

Q4. [218932] **Clive Efford** (Eltham) (Lab): Does my right hon. Friend agree that people who cannot afford to buy houses should not pay the price for the current economic turmoil and the tightening of credit in the housing market? His announcement today that hard-pressed families will be helped to get on to the housing ladder is welcome, but does he agree that we must encourage local authorities and housing associations to do more to make affordable houses available for rent?

The Prime Minister: We are using £200 million of public funds to buy up unsold houses in the market. That will help people to rent their homes, particularly people who, on the existing waiting list, cannot obtain homes. We are announcing today that five local authorities throughout the country will be able to set up housing companies to build houses for the first time, and we will support those councils in their efforts to make more stock available for rent. We are also announcing today that, under a rent to home-buy scheme, people who cannot afford to buy a house initially under the shared-equity proposals will be able to start by renting. That is another move forward to help the rented housing sector in Britain.

Q5. [218933] **Mr. Mark Lancaster** (North-East Milton Keynes) (Con): The current focus on knife crime makes it easy to forget that there are more than 5,000 violent assaults each year involving the use of broken glass. One positive step would be to support the campaign led by my constituent Marjorie Golding, and encourage late-night clubs and bars to replace glass with polycarbonates. Will the Prime Minister be decisive, show some leadership and support the campaign, or does he need more time to ponder?

The Prime Minister: The hon. Gentleman rightly raises the question of injuries caused by glass. I will look into what he says and come back to him on the matter.

Q6. [218934] **Paul Clark** (Gillingham) (Lab): My right hon. Friend will be aware of the importance of volunteers and the voluntary sector in our communities, as amply demonstrated by the Sunlight Development Trust in my constituency, which is leading on social enterprise work and campaigns locally. However, there is concern that central Government support for the third sector must continue, so what steps will my right hon. Friend take to ensure that third sector organisations are reassured about the commitment of this Government to their neighbourhood campaigning and the delivery of complementary services in neighbourhoods?

The Prime Minister: By increasing the grants that we are making available for grassroots community action, £130 million is being provided directly to small community groups, and we are establishing a £70 million community builders scheme to help community-led organisations become more sustainable. At the same time, we are helping youth volunteering by giving more money to the v organisation to encourage young people to get a step on the ladder to community action. I should also remind my hon. Friend that we have strengthened gift aid, which gives millions of pounds to charities by virtue of tax relief. But we will not see the charitable sector, as some Opposition Members do, as a cut-price alternative to public services. We will reinforce the work of the voluntary sector in partnership with Government.

Q7. [218935] **Mr. Mark Harper** (Forest of Dean) (Con): Does the Prime Minister think that the price of petrol and diesel is too high or too low?

The Prime Minister: It is too high, which is why I am trying to get the oil price down. That is why I went to Jeddah—so that we can have a dialogue between producers and consumers. That is why I am meeting the Nigerian President this afternoon—because there are 1.5 million barrels of oil that could be produced from Nigeria but that, as a result of violence, are not being produced. That is why we met the North sea oil producers a few weeks ago to talk about how they might develop fields in the North sea that are either small fields or fields that are difficult to get at. It is precisely for these reasons that we are taking the action to reduce our dependence on oil overall. It is just unfortunate that the Opposition will not support these actions.

Q8. [218936] **Jessica Morden** (Newport, East) (Lab): The announcement last Friday by the Government and the Association of British Insurers that flood insurance will be widely available long term will be greatly welcomed in constituencies such as mine that border the Severn, where people naturally are concerned about the effects of climate change, but can the Prime Minister reassure my constituents that developing an adequately funded long-term flood defence strategy will remain the priority?

The Prime Minister: We will be spending £800 million on the flood defence strategy by 2011—raising the amount from £400 million a few years ago to £600 million now, and then to £800 million over the next period of time. Last week, we also finalised the agreement with the insurance companies that my hon. Friend mentioned, and it is because we are investing in flood defences that they were prepared to say that insurance against floods will be widely available for homes and small businesses, so that fear that people have had has been removed. However, my hon. Friend is absolutely right—she has campaigned on this—that we must make the investment in flood protection for the future.

Mr. Kenneth Clarke (Rushcliffe) (Con): As the Budget continues to fall apart and the Chancellor has had to abandon yet another badly targeted tax, have the Government yet decided how the unfortunate taxpayer will eventually have to pay for the mess he has made of the public finances?

The Prime Minister: I remember when we inherited debt at 44 per cent. of national income and reduced it to 38 per cent. I remember when we inherited rising inflation and brought it down. I also remember that we inherited from the previous Government large numbers of people who were unemployed and have made them employed. When will the right hon. and learned Gentleman remember the fact that 3 million people are now in work as a result of a Labour Government? As for taxation, 22 million people will receive £120 as a result of decisions that we have made.

Q9. [218937] **Sir Peter Soulsby** (Leicester, South) (Lab): The Prime Minister will be aware that, following the publication of "The Governance of Britain" White Paper, the Modernisation Committee has heard overwhelming evidence confirming the urgent need for effective parliamentary scrutiny of regional development agencies and other key regional bodies. Will the Prime Minister join me in welcoming the Modernisation Committee's report and its recommendations both to fill the accountability gap at regional level and for us as Members to be able to question regional Ministers?

The Prime Minister: We spend about £2.3 billion through our regional offices and the regional development agencies in each of the regions of England. It is right that there should be proper accountability of that, which is why we are proposing the regional Select Committees. I believe that the Modernisation Committee supports that approach, and I hope that it will be given a welcome from both sides of the House. It will enable regional Members to examine and hold accountable the offices that exist in the regions.

Q10. [218938] **Jo Swinson** (East Dunbartonshire) (LD): The most rapidly increasing type of cancer in this country is skin cancer, of which there are more than 80,000 new cases each year. As the Prime Minister heads to Suffolk for his bucket and spade holiday, I am sure that he will be stocking up on sun cream. How can his Government justify charging VAT on that essential health protection item?

The Prime Minister: This issue is looked at from time to time, but I say to the hon. Lady that the more important thing that we are doing is investing £15 billion over the next 10 years in trying to find cures to diseases including cancer and skin cancer. The action of the national health service in making it possible for people to be seen quickly when they are diagnosed with cancer means that 99 per cent. of people suspected of having cancer are seen within two weeks. Those are the actions that we can take, and they will get rid of skin cancer in the long run.

Ms Sally Keeble (Northampton, North) (Lab): Following this week's welcome publication by the Sentencing Guidelines Council of a report on the sentencing of people convicted of causing death by careless driving, will my right hon. Friend ensure that the section of the Road Safety Act 2006 on causing death by careless driving is quickly enacted and that tough guidance is sent out to the courts so that people who lose their loved ones as a result of accidents caused by such driving know that justice will be done?

The Prime Minister: It is a tragedy to meet people who have lost their loved ones as a result of careless driving; they are innocent people who suffer as a result of someone else's failure. That is why we will implement these guidelines and why my right hon. Friend the Justice Secretary will be going ahead immediately with these proposals.

Q11. [218940] **Norman Baker** (Lewes) (LD): The Prime Minister may have seen in today's press the admission by the airline BMI that it intends to fly empty planes this autumn in order to keep its slots open, and that Flybe, for the same reason, is even hiring actors to fly between Norwich and Dublin to boost passenger numbers. Given the massive carbon emissions for which aviation is responsible, is that not an environmental disgrace? Will the Prime Minister take action to prevent those ghost flights, or will he cave in to the aviation industry, as usual?

The Prime Minister: It would be clearly unacceptable if airlines flew without any passengers whatsoever, simply to maintain their slots. We shall look at the matter that the hon. Gentleman raises and talk to the airlines, and I shall write to him in due course.

Q12. [218941] **Mr. Adrian Bailey** (West Bromwich, West) (Lab/Co-op): It is now a year since the introduction of legislation creating smoke-free workplaces and public places. Can my right hon. Friend tell me what assessment he has made of the level of compliance with the legislation, of the public health benefits and of what measures he thinks can be taken further to reduce the level of smoking in this country?

The Prime Minister: The evidence is very interesting: nearly a quarter of a million people quit smoking with the help of their smoking services between April and December 2007—that is a 22 per cent. increase in the number of people who have quit smoking, and it must be directly related to the ban on smoking in public places. We are also investing a great deal more in research into this matter. Cancer Research UK estimates that 40,000 lives will be saved over the next 10 years as a result of this smoke-free legislation, and I believe that there is increasing public support for the action that was taken.

Mr. Alistair Carmichael (Orkney and Shetland) (LD): On Friday, staff in the Maritime and Coastguard Agency will begin a 48-hour strike. During the previous 24-hour strike, the contingency cover that was put in place was barely adequate, and it would not be sufficient to cover a 48-hour strike—as a result, lives will be put at risk. Will the Prime Minister intervene to solve this dispute? Will he pay our coastguards a decent wage, or will he sit on his hands until lives are lost?

The Prime Minister: I will certainly look at the issue of contingency cover to see what is being provided in the event of this dispute. I would, even now, call on the people who are engaged in planning the dispute to cease this action. I think that it is very important that employers and employees get together to find a solution to these disputes. I must tell the hon. Gentleman that 1.5 million workers in the public sector have already signed, or are subject to, three-year pay agreements, including nurses, teachers, and those who work in the Department for Work and Pensions and in the Inland Revenue. Never before have we had three-year agreements during difficult times such as these, and I believe that there should be support for other groups of workers in the public sector signing up to long-term pay agreements.

Q13. [218942] **David Taylor** (North-West Leicestershire) (Lab/Co-op): During his richly deserved holiday in Southwold, will the Prime Minister reflect on present Government proposals that would evict parents from local authority accommodation when their children caused problems in the vicinity? Those of us who were brought up on local authority estates believe that there is a risk that that might demonise such areas. Our experience as MPs tells us that problems with young people originate as often when parents live in owner-occupied accommodation. What will he do in those circumstances?

The Prime Minister: I have looked at the work of the family intervention projects that my hon. Friend is talking about. I have been to see at first hand how families have been brought round, as children who were engaged in vandalism and antisocial behaviour live decent and normal lives as a result of changing their ways. The whole point of the family intervention projects is that families sign a contract to say that they will change their ways in return for 24-hour help in doing better. That is the proper way forward in order to deal with the worst problems of antisocial behaviour. I would have thought that there would be massive support in the country for extending that project to the 20,000 families who will be helped as a result. In the end, if we are to tackle crime we need tougher punishments, better enforcement and action on prevention. Action on prevention will be stepped up over the next few years so that every child is given opportunity but expected to behave properly in our communities.

Closed Circuit Television (Monitoring and Promotion)

12.32 pm

Ann McKechin (Glasgow, North) (Lab): I beg to move,

That leave be given to bring in a Bill to impose a duty on public bodies to co-operate with the police and specified local authorities on the use of closed circuit television; to require certain users of CCTV to provide specified information to the police; to require insurance providers to promote the use of CCTV systems; and for connected purposes.

There has been much debate recently about the level of surveillance in our society. The debate is worth having, although much of the dialogue has been conducted in a fit of hysteria that bears no relation to the reality of our everyday lives. Widespread use of photography and film is here to stay—the relevant question is how we regulate its use to provide legitimate protection of the public and property while at the same time ensuring that our citizens' rights and freedoms are properly protected.

Time and again, constituents request closed circuit television coverage in areas where vandalism, thefts, drug dealing or violence have repeatedly occurred. It is not an alternative to proper policing or crime prevention strategies, but decent quality CCTV evidence can certainly make a material difference in bringing forward a prosecution. It often records the type of crime that can be difficult to prove by other means.

Just a few weeks ago in Glasgow, we experienced within one week the tragedy of the murders of two innocent women. The first, Moira Jones, was murdered when arriving back at her home in the south side of the city and the second, Eleni Pachou, was murdered at her place of work in my own constituency. In the same week, there were also reports of five women who were subjected to sexual attacks in broad daylight, all within the space of less than two hours, in the centre and west of the city. Such events are thankfully unusual, but their occurrence over such a relatively short time understandably caused a great deal of fear and alarm. To the credit of Strathclyde police, suspects in all three cases have now been apprehended and it is clear that CCTV evidence played a critical part in the investigations.

The use of such evidence is now a routine part of police inquiries and it is much more common as a means of pursuing a prosecution in the UK than the use of DNA material. Perhaps not surprisingly it results in far more guilty verdicts, leading to a consequent reduction in police time and expense tied up in trials. In the case of random attacks, it can also help to prompt evidence from witnesses who may not have been aware that they were in the vicinity of a crime at the time of the offence, or that their evidence could be material. Importantly, it can also eliminate innocent people as suspects.

However, when police gather CCTV evidence, they have to collect it from a wide variety of sources that currently do not have to follow any compulsory code or minimum requirements. It is estimated that there are around 400 town, public or municipal and city-centre systems in the UK, and perhaps up to 1.5 million privately owned and operated public-space CCTV cameras.

It is important to distinguish between the two groups. The public systems have a primary purpose to provide public safety and, accordingly, they need to include the ability to provide evidential recording for police incidents. In Greater Glasgow, we have the GCASS system, which oversees the use of CCTV coverage in places where the public have unrestricted access and also co-ordinates action by the police, local authorities and the major social landlords.

However, even with that level of organisation, Strathclyde police find it difficult at times to persuade all the local authorities in its force area to contribute to the revenue costs, which run at approximately £3,000 to £4,000 a year for each fixed camera. The force also has to interface with 16 separate public systems that use different equipment and processes. This leads to both police and prosecutor's staff being tied up in time-consuming evidence gathering and having to spend long periods of time in preparing evidence in a format acceptable to the courts. Regrettably, it is still a requirement in many Scottish courts that such evidence be shown in analogue rather than digital format, despite the fact that the latter is much less costly and is speedier.

On the other hand, cameras on private property that allow for a public presence, such as shops and bars, are much more likely to be primarily a property protection scheme. However, given the scale of private coverage compared with public systems, it is evidence from private cameras that, on the whole, will provide the majority of film evidence in a crime incident. During last year's terrorist attack on Glasgow airport, for example, I understand that more than 70 per cent. of the film and photo evidence came from such private sources.

When a serious incident occurs, police have to contact all public and private owners in the vicinity, first, to check whether they hold such equipment and secondly to ascertain whether film has been kept that is of a quality capable of being of use. The major problems that police face when collecting such evidence is the poor quality of the images and the fact that redundant technology is used because of a failure to invest in appropriate equipment.

Speed is also vital, as some owners routinely destroy film within a couple of days, and others within a few weeks. However, the police do not necessarily know that, and there is no requirement on equipment owners to provide details. In addition, owners of smaller, more basic systems may be unfamiliar with the mechanisms required to download the data. It has not been unknown for it to take several weeks to be able to obtain some film evidence. It is also not uncommon for cameras not to be working at all or to be wrongly positioned so that no relevant evidence can be obtained. All of these problems can have a direct effect on the ability of police to arrest the perpetrator of a crime.

If we believe that all of us, as citizens, should take some level of responsibility in relation to the crime on our streets, then I do not consider that it is unreasonable to expect those who operate CCTV systems to have a duty of care to the general public by following best practice and keeping equipment in good working order. Public trust could dissolve easily if there were increasing evidence of misuse, and that is why we need to guard against poor handling of data by persons with little or no training. We also need to guard against the degrading of data to keep costs low by reducing quality for convenience and cheapness of storage, and the use of worn out and redundant equipment.

[Ann McKechin]

However, I also accept that, given the scale of their use and the fact that many of these cameras are operated by small business, sometimes as a requirement of their insurers, it is important to avoid undue bureaucracy and administrative expense. The Bill accordingly proposes a proportionate response that builds on the recommendations of the Home Office report issued last year for a national CCTV strategy, and the voluntary code promoted by the CCTV user group that acts as an industry body.

First, the Bill would place a statutory duty on public bodies such as local authorities, transport groups and housing associations to work together with their local police force to achieve a streamlining of public systems. That would give greater efficiency and reduce administrative costs. One example of how such an obligation could be of use at a fairly minimal cost is for all CCTV used only for traffic monitoring purposes to be given basic digital recording equipment suitable for police use, and an image-retention facility.

The Bill would also place an obligation on authorities to contribute to the costs of co-ordinating such systems where, as in Glasgow, the system is maintained by a large metropolitan authority that covers a number of smaller council areas. Secondly, the Bill would require private organisations that control large areas that are open to the public, such as cinemas, hotels, shopping centres or large bars and clubs, to provide the local police force with up-to-date information on the type of CCTV system that they use, on how long they preserve film for, and on how the system is maintained. Given that many such premises are already licensed by local authorities in some way, I would argue that the additional obligation should not be unduly onerous. It would allow the police to map town and city centre locations where there is the highest footfall, and to provide information to private users on the best way to maintain and operate their systems.

Finally, the Bill would require insurance companies to promote an agreed code of practice with their business customers. That could include requirements relating to: the type and scale of equipment that should be used, and appropriate to the site size; use and location; the training that should be provided to staff; and the adoption of regular maintenance contracts. That would have the benefit of securing an improvement in the overall base quality of the use of CCTV in this country and of providing a platform for minimum standards that can easily be reviewed and altered.

Question put and agreed to.

Bill ordered to be brought in by Ann McKechin, John Robertson, Mark Lazarowicz, Rosemary McKenna, Nia Griffith, Helen Jones, Angela E. Smith and Miss Anne Begg.

CLOSED CIRCUIT TELEVISION (MONITORING AND PROMOTION)

Ann McKechin accordingly presented a Bill to impose a duty on public bodies to co-operate with the police and specified local authorities on the use of closed circuit television; to require certain users of CCTV to provide specified information to the police; to require insurance providers to promote the use of CCTV systems; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 17 October, and to be printed [Bill 139].

Opposition Day

[18TH ALLOTTED DAY]

Members' Allowances

Mr. Speaker: We now come to the main business, an Opposition day debate on Members' allowances. I have selected the amendment in the name of the Prime Minister.

12.42 pm

Mrs. Theresa May (Maidenhead) (Con): I beg to move,

> That this House recognises growing public concern on expenses and allowances for hon. Members and Members of the European Parliament (MEPs); believes that the minimum requirements for tackling the problem include regular reporting and appropriate auditing of the use of expenses and allowances, the publication of claims made, broken down by type, in relation to each allowance and claimable expense, the publication of the names and salary bands of all relatives employed by hon. Members and the abolition of the so-called John Lewis list; further believes that UK MEPs should abide by the same rules and practices as hon. Members, with particular regard to the repayment of surpluses, published annual statements verified by independent accountants and overseen by a compliance officer, the publication of the names and salary bands of any relative employed and regular reporting of expenses and allowances; and resolves that, notwithstanding its decision of 3rd July, hon. Members should no longer be able to claim reimbursement for furniture and household goods with effect from 1st April 2009.

Some hon. Members may wonder why, two weeks after a debate on MPs' expenses and allowances, we have brought forward another motion on the subject. Two weeks ago, the Commons had the opportunity to put its house in order, to clear its name and to go some way to restoring public confidence in Parliament as a body and hon. Members as individuals. It failed to do so. Members voted to keep the John Lewis list and rejected a system of external auditing. The newspapers, which had welcomed the report from the Members Estimate Committee, were accordingly negative about the vote taken by this House. Of course, we should not be driven by the media—*[Laughter.]* I say to those hon. Members who are laughing that we should listen—*[Interruption.]*

Mr. Speaker: Order.

Mrs. May *rose—*

Sir Patrick Cormack (South Staffordshire) (Con): Will my right hon. Friend give way?

Mrs. May: If my hon. Friend will allow me, I should like to make a little progress with my speech first, but I assure him that I am happy to take interventions later. We should not be driven by the media, but we should listen to the views of our constituents. It is incumbent on every Member to understand the depth of feeling on the issue outside the House. The result of the vote on the MEC report has compounded a general lack of respect for politicians.

Mr. Don Touhig (Islwyn) (Lab/Co-op) *rose—*

Mrs. May: As I have just said to my hon. Friend the Member for South Staffordshire (Sir Patrick Cormack), I shall be happy to give way in a few minutes. I should just like to make a little progress with explaining why we brought forward such a debate at this time.

We believe that the matter is so important that we should not let it rest after the vote on 3 July. I hope that the House will show that, having reflected on its decision on that day, it is now willing to move forward and make the changes needed to restore public confidence. In short, we need to show not only that we recognise the depths to which we have sunk in the public mind, but that we accept our responsibility to do something about it.

We are honourable Members, but our failure to recognise the concern outside the House about our processes and that people expect us to adopt the best practice shown in the private and public sectors, has led to cynicism and, I believe, damage to the reputation of the House, and we need to address that. That is why we have chosen today to show leadership on this issue, to debate the motion to show that Members of Parliament take this seriously and that we are willing to clean up our acts and be deserving of the office that we are privileged enough to hold.

Sir Patrick Cormack: This is a bit reminiscent of the nasty party speech that some of us remember. It really is a pity that this has become a party political issue. This is a matter for the House of Commons, and because today we have a helpful written statement from the Leader of the House, and because the Government amendment is not all that different, would it not better serve the interests of the House and of our constituents if the Leader of the House, the shadow Leader of the House and the Liberal spokesman put a collective hot towel round their heads, went away and came back with an agreed position that we could all adopt, without a vote, so that we could get on to debating the issue that really does concern our constituents? Before sitting down, I want to apologise to my right hon. Friend for having to leave before the end of the debate, but I am chairing my Select Committee.

Mrs. May: When my hon. Friend refers to getting on with issues that concern our constituents, only on Tuesday of this week I had an e-mail from a constituent raising a number of issues relevant to my constituency, but it started with this sentence:

> "Talking amongst my friends, the anger does not subside with regard to MPs' expenses and the way in which public funds are being used to finance second homes and pay family."

That is a reflection of the views that constituents hold on this issue.

Several hon. Members *rose—*

Mrs. May: I should be grateful if hon. Members would allow me to answer one intervention before I take any more.

That is a reflection of constituents' views on the issue. We are offering the House an opportunity to come to a consensus on a position that would move the House forward in a way that we failed to do on 3 July.

Mr. Touhig: The right hon. Lady referred to our decision a week or so ago on external auditors. Would she accept that the National Audit Office is a credible

[Mr. Don Touhig]

external auditor and does she welcome the statement by the Leader of the House that it will now be involved in the external audit of all these matters?

Mrs. May: I will come on to the statement made by the Leader of the House and the Government amendment in relation to the National Audit Office. In fact, that amendment does very little to take us further than the present position of the NAO as the auditors of the House, because it talks about processes, not about going behind Members' signatures, which was the point of the external audit proposals in the MEC report that were rejected by the House.

Mr. Jim Devine (Livingston) (Lab) *rose—*

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con) *rose—*

Mrs. May: I give way to the hon. Gentleman and then to my right hon. and learned Friend.

Mr. Devine: The right hon. Lady is absolutely right. My constituents are talking about this, and their concern is that they will see the situation where the only people who can come to this place are rich Tories. I have been told that the leader of the Conservative party has a £20 million trust fund. Is that the case?

Mr. Speaker: Order. These are personal matters. *[Interruption.]* Order. Hon. Members know the rules. If an hon. Member is going to be criticised or attacked they should be notified in advance.

Mrs. May: Thank you, Mr. Speaker.

Of course we want people from all sorts of backgrounds to be able to play their part in this House, but we also need to ensure that taxpayers' money is being used properly and that our constituents and taxpayers see that it is being used properly.

Several hon. Members *rose—*

Mrs. May: If hon. Members will just be a little patient, I said that I would give way to my right hon. and learned Friend the Member for Sleaford and North Hykeham (Mr. Hogg). I will then give way to the hon. Member for North Southwark and Bermondsey (Simon Hughes) and then to the hon. Member for Milton Keynes, South-West (Dr. Starkey), who has been seeking to intervene rather a lot, and then I should like to make some progress.

Mr. Hogg: May I associate myself with the comments made by my hon. Friend the Member for South Staffordshire (Sir Patrick Cormack)? Historically, this matter has been for the House, not for whipped party votes. Therefore I have difficulty in understanding why it is being debated on the Supply day. Incidentally, as we do not live in unfurnished boxes, why should there be a prohibition on reimbursement for furniture and household goods? Provided that it is modest, transparent and audited, what is the objection?

Mrs. May: I shall expand on that point later in my speech. I believe that it is one of the issues of most concern to our constituents. It is not essential for Members who come to the House and look for other accommodation to have a flat of their own that they need to furnish.

My right hon. and learned Friend mentioned whipped votes on this issue; I merely point him to the fact that it is because the Government were unwilling to stand by the Prime Minister's undertaking to support the Members Estimate Committee report—they failed to whip the votes—that the House is in this position today.

Simon Hughes (North Southwark and Bermondsey) (LD): The thrust and direction of what the right hon. Lady is saying has warm support from the Liberal Democrat Benches. However, she must accept that we would not be in the mess that we are in today if 21 Conservative Members of Parliament had not voted against openness and transparency, rather than in favour of it. If they had voted with her, what she and I want would have gone through on 3 July.

Mrs. May: I note the hon. Gentleman's support for the general thrust of what I am saying, but I merely say this to him. The House would not be in this position today if the 29 Liberal Democrat Members who stayed away had turned up to vote on 3 July. They included the right hon. Member for Sheffield, Hallam (Mr. Clegg), who, significantly, failed to show leadership on the MEC report.

Dr. Starkey *rose—*

Mrs. May: I did say that I would give way to the hon. Member for Milton Keynes, South-West as well.

Dr. Starkey: I thank the right hon. Lady. May I urge her to take the wise advice given her by the hon. Member for South Staffordshire (Sir Patrick Cormack)? I do not often agree with him, but I do on this occasion.

Mr. Simon Burns (West Chelmsford) (Con): You don't often smile, either.

Dr. Starkey: I shall pass over the misogyny from the Tory Benches, which one expects; I sympathise with the right hon. Lady on that, as she also suffers from it. I draw her attention to how the debate has gone thus far and point to the evidence that it is giving of the danger of trying to make this a party political issue. In particular, members of the public may recall that the most stupendous examples of abuse have largely come, in the last Parliament and this, from members of her party.

Mrs. May: On that latter point, I should say that there are examples of problems with the use of allowances expenses in respect of Members from all parties in the House.

Chris Bryant (Rhondda) (Lab): Name them.

Mrs. May: I could name hon. Members from the Labour party, but I do not intend to, because I want this debate to be about how we take the House forward.

Mr. Kevan Jones (North Durham) (Lab): Will the right hon. Lady give way?

Mrs. May: No. I said that I would make progress after I had taken the intervention from the hon. Member for Milton Keynes, South-West; I shall take some more interventions later in my speech. As I think hon. Members realise, I am normally generous in taking interventions.

I say to the hon. Member for Milton Keynes, South-West that the interventions that there have been that suggest that everything is tickety-boo and that we do not need to look at the issue again reflect an unwillingness to listen to the views out there. It is for all of us to understand those views.

Mr. Kevan Jones *rose—*

Judy Mallaber (Amber Valley) (Lab) *rose—*

Mr. Speaker: Order. The right hon. Lady is not giving way. Ms Mallaber, you should sit down.

Mrs. May: As a party, we have taken a lead in ensuring that information is published about Conservative MPs. In October, we called for greater transparency. My right hon. Friend the Leader of the Opposition announced the introduction of the right-to-know form, under which all Front-Bench Conservative MPs are required to detail all their expenses and allowances. The overwhelming majority of Back-Bench Conservative MPs are also providing that information, which will all be published later today.

We are committed to transparency, disclosure and the right-to-know details, and the information will be published. It will include details about Members' staff, including family members and their salary bands. It has a breakdown of office costs, travel, communications allowances, the additional costs allowances and the costs of staying away from home.

Judy Mallaber: I voted for the Members Estimate Committee report, because we do need to clean up our act. Personally, I claim a very small amount of the additional costs allowance. Can the right hon. Lady explain to me why I should be lectured and forced into whipped business by a party whose leader claims all of the additional costs allowance—more than £21,000—towards his mortgage? I do not do that. Why are we being pushed into whipped business by somebody who makes such a claim?

Mrs. May: Whether the Government choose to whip their Members on this issue is a matter for the Government and the Government Chief Whip, not for me.

Mr. John Redwood (Wokingham) (Con): As someone who would like the whole House to come to a sensible judgment on this, I urge colleagues to calm down a little and understand that a real problem has been highlighted by this debate. We are where we are with this debate. Does my right hon. Friend agree that the problem with introducing audit for individual items for a household or flat is that we will go straight back to the John Lewis list? The auditors, of course, will want a reference point, and it is the list that has done so much to drag this House into the mire in the public mind.

Mrs. May: I agree that the issue of the John Lewis list is the one that has perhaps struck the public mind most as a matter of concern; it is symbolic of the public's concern about the House. That is why it is important that we do something about the list beyond simply asking that its future be considered.

The right-to-know form that will be published later today is reflected in the terms of our motion. We are asking the House to agree a basic set of principles for a system of expenses and allowances that would be tougher than the regime agreed on 3 July. It is necessary to restore confidence in the House, and I hope that all Members will have that in mind when they come to consider the matter later.

Mr. Kevan Jones: Most of us in the House have one single source of income—our parliamentary salary. The right hon. Lady and her party leader talk about transparency. Will she publish the exact details of the 40 directorships held by members of the shadow Cabinet and of the 65 separate occasions on which, according to the latest Register of Members' Interests, paid employment was done by members of the shadow Cabinet?

Mrs. May: The hon. Gentleman clearly does not need me to publish those details, as he was reading them from a published document—the Register of Members' Interests. Members of the shadow Cabinet abide by the rules and requirements. The hon. Gentleman might look to the fact that not only Members on the Conservative Benches hold external appointments and directorships.

Rob Marris (Wolverhampton, South-West) (Lab): Will the right hon. Lady give way?

Mrs. May: I shall give way one further time, and then make some progress.

Rob Marris: On that latter point, I should say that I think we should ban moonlighting. However, I do not think that my constituents expect me to live in an unfurnished bedsit in the distant suburbs. My accommodation expenses amount to about £650 per month, and I am 10 minutes from the House of Commons; I think that pretty reasonable. My constituents do not expect me to carry a bed down on the Virgin Trains service every week because I do not have an additional costs allowance to buy a bed in London. Why does the end of the Opposition motion state that

> "Members should no longer be able to claim reimbursement for furniture and household goods"?

My constituents do not expect me to sleep on the floor.

Mrs. May: I have already made the point—I will come to it again—about the importance of the John Lewis list to the House's being seen to clean up its act.

Mr. Brian H. Donohoe (Central Ayrshire) (Lab): Will the right hon. Lady give way?

Mrs. May: No.

Reference is made to the John Lewis list by the Leader of the House in the Government amendment and in her written ministerial statement today. There is a real difference between abolishing the John Lewis list and replacing it with an Ikea list, and getting rid of the

[Mrs. May]

right to claim for TVs and fridges on the taxpayer. The hon. Gentleman mentioned beds, but not every hon. Member coming into the House has to rent or get a mortgage for an unfurnished flat; he knows that full well.

Miss Ann Widdecombe (Maidstone and The Weald) (Con): Will my right hon. Friend give way?

Mrs. May: Before I took that last intervention, I said that I wanted to make a little more progress. My right hon. Friend should bear with me; I am sure that she will be able to keep her question until later.

Mrs. Ann Cryer (Keighley) (Lab) *rose—*

Mrs. May: I say that to the hon. Member for Keighley (Mrs. Cryer) as well.

The principles of our motion are based on transparency, and it includes a reference to "appropriate auditing". As we discussed on 3 July, auditing is important because it is best practice outside this House, and we should show that we are willing to abide by that. Proposals in the MEC report would have brought this House into line with best practice not only in the private sector but elsewhere in the public sector. We need to achieve transparency by publishing a comprehensive breakdown of expenses claims made by Members to prove that we are using public money correctly. As from later this year, the House will publish Members' expenses together with all the claims and receipts. We will continue with the commitment that we made to publish right-to-know forms on Conservative Members later today.

Mrs. Cryer *rose—*

Linda Gilroy (Plymouth, Sutton) (Lab/Co-op) *rose—*

Mr. Donohoe *rose—*

Mrs. May: If hon. Members will just wait— *[Interruption.]* I thank the Leader of the House for pointing out that several Members wish to intervene on me. I have already made it clear that I am willing to take further interventions later, but I wish to get beyond this point in my explanation of our motion because—who knows?—that might answer some of the questions that hon. Members have. I suspect that they were pre-arranged questions anyway, but there we are.

The need for transparency also lay behind our proposal that Members should declare on the register any family members whom they employ. That has now been agreed by this House following a review by the Standards and Privileges Committee. We are going further in relation to the right to know by publishing the salary bands of family members as well as their names. During the debate on 3 July, the expense involved was cited as a reason for not going further on the recommendations on auditing and publication. However, the House needs to operate by the same rules that operate elsewhere in the private and public sectors; that is why it is important that we explore this point.

Mrs. Cryer *rose—*

Linda Gilroy *rose—*

Mr. Donohoe *rose—*

Miss Widdecombe *rose—*

Mrs. May: I am happy to give way to my right hon. Friend the Member for Maidstone and The Weald (Miss Widdecombe) first, and then to the other three hon. Members. I will then go on to talk about the John Lewis list, so the hon. Member for Central Ayrshire (Mr. Donohoe) might wish to wait until I have done that before he makes his point.

Miss Widdecombe: I am grateful to my right hon. Friend for giving way and for the number of times that she has already done so. She said a few sentences ago that it was not necessary for hon. Members to have a second home that needed to be furnished. Let me put it to her that if hon. Members buy their second homes, as opposed to renting or going into hotels with their families, the taxpayer gains because hon. Members have to pay the capital of their mortgage—that is not given to us by anybody—and in the end, when they sell, they pay the Exchequer capital gains tax. There is therefore a direct and much under-discussed benefit to the taxpayer in our choosing to buy rather than going into a hotel.

Mrs. May: To correct my right hon. Friend, I did not say that it was not necessary to have a second home, or, as she further implied, to furnish it at the expense of the taxpayer. *[Interruption.]* It is amazing that Labour Members do not seem to have heard of the concept of renting furnished flats, but I will not go into that. My right hon. Friend drew a distinction between the capital element and the interest element of a mortgage. The capital element relates to the fact that the house or flat remains in the ownership of the individual Member of Parliament. The point about furniture and household goods is that they remain in the ownership of the individual Member, who is able to take them on to a further property as opposed to simply possessing them as a Member of this House.

John Mann (Bassetlaw) (Lab): The right hon. Lady will recall that she agreed with my amendment, passed unanimously by the House last week, which removed the potential loophole whereby people could nominate two main homes, one under the additional costs allowance and one for capital gains tax purposes in relation to the Revenue. Can she confirm that that point has been taken fully into consideration in the statistics on her Front Benchers that she is providing today, that nobody among them has worked that loophole and that everything is consistent with the current House position?

Mrs. May: The figures that will be published today are based on the right-to-know form that was published earlier this year. I have a certain sympathy with the intention of the hon. Gentleman's amendment, but there are some practical issues involved in implementing it. *[Interruption.]* He says that there are not. He will be aware, however, that there are rules for claiming for a home under the ACA. HMRC has different rules, and there is a choice on whether a house is claimed as the main house for capital gains tax purposes. The House authorities will need to consider those issues in interpreting the amendment in terms of the rules that will be put into the green book. The House took a decision, and I have every confidence that it will be implemented.

Linda Gilroy: Notwithstanding what the right hon. Member for Maidstone and The Weald (Miss Widdecombe) said, will the list that is to be published this afternoon indicate the capital gain for Members who use all their allowance to purchase a property? The John Lewis list is a smokescreen for that.

Mrs. May: It is not possible to do that, because one is not able to list a capital gain until one sells the property and knows what the capital gain on it is.

Mrs. Cryer: The right hon. Lady's comments are worth clarifying. Does she understand that new Members entering the House, particularly Labour Members with no inherited wealth whatsoever, may be put off buying a flat because they have no money to buy furniture for it, including basic things such as a bed, and may as a result be shoved into renting a furnished flat or a hotel room that will cost the taxpayer a great deal more money in the long term?

Mrs. May: I take considerable umbrage at the suggestion that everybody on my side came into the House with inherited wealth. There are Conservative Members who would also find it difficult to cope with the arrangements that we are putting in place. It will be difficult for some Members, but it is possible. Hon. Members have alternatives available to them—they do not need to go out and buy their TV on the back of the taxpayer.

Mr. Donohoe *rose—*

Mrs. May: I said that I would make progress and discuss the John Lewis list, because the hon. Gentleman has a specific question about it. Let me explain the reference in the motion. There has been public dismay about the concept of being able to buy a TV on the taxpayer—that is one of the issues that has most concerned people and about which they have been particularly vocal. I accept that most Members did not know of the John Lewis list before it was revealed in the court case, but it has become symbolic. Several hon. Members have made comments about initial requirements, but it is not just about that. The John Lewis list—that is, the ability to claim through the ACA money for furniture and household goods— continues throughout the time that a Member of Parliament is in this House, so it is not just a question of buying basic requirements from the allowance that is available. I believe that we should, as the MEC report suggested, remove the ability to buy furniture and household goods through the ACA. That is a different position from that taken in the Government's amendment.

Mr. Donohoe: I became a Member of Parliament in 1992 and I was taken to the Fees Office, where I was instructed that I could spend money anyway I wanted on the additional costs allowance by a Mr. Maskell, who I think was in charge of the Fees Office then. I have never had any guidance since, other than the contents of the green book, which gives no indication of a John Lewis list. I sit on the Administration Committee and such a list has never been debated there. Where did the John Lewis list come from? I can give the right hon. Lady the answer, but I wonder whether she knows.

Mrs. May: I am grateful for that intervention. It is true that, when people have become Members of Parliament at different times, the Fees Office has given different advice about how to interpret the allowances. Over the years, the House, through the Members Estimate Committee and officers in the Department of Resources, has been tightening up those rules to try to clarify them and to ensure that Members know more about exactly what they can claim. Some Members' past claims will be based on a previous regime, and were entirely appropriate under it, but they would not be acceptable today.

To answer the question about the John Lewis list, I believe that officers in the Department of Resources, formerly the Department of Finance and Administration, introduced it with a view to ensuring that, when staff considered claims by Members of Parliament, they had a checklist against which they could decide whether the claim was reasonable and whether Members were trying to get more out of the taxpayer than they needed. For example, they would see that Members were buying a fridge for x amount and would try to ascertain whether they could buy a cheaper fridge that was equally functional. The purpose of the John Lewis list was to help staff determine whether claims were appropriate. Whatever the intention at the time, the term has come to cause concern. However, the ability to claim the items, rather than the term and the existence of a list, worries the public.

Mr. Donohoe: I thank the right hon. Lady for giving way again. Her stance does not relate to the fact that hon. Members also have access to an incidental costs allowance for offices. If the Opposition were serious about the matter, they would have included in the motion the same barriers to the incidental costs allowance as to the additional costs allowance. One could buy a mahogany desk—or anything—to furnish an office. Surely it is wrong to be able to do that when one does not have the right to buy the furniture that is required for a flat.

Mrs. May: There is a distinction between buying furniture for an office, which is perhaps in a constituency and provides a service to constituents, and a television or a fridge for a Member of Parliament. There is a genuine difference, and the public perceive it. They recognise that office costs are needed to provide a service to constituents.

Mr. David Anderson (Blaydon) (Lab): *rose—*

Helen Jones (Warrington, North) (Lab) *rose—*

Mrs. May: I know that many hon. Members wish to speak and I am conscious that time is passing. I have been generous with taking interventions and I now want to get on with my speech because I want to deal with the expenses of Members of the European Parliament and the transparency rules to which they are expected to adhere because the spotlight has fallen on them.

Mr. Andy Slaughter (Ealing, Acton and Shepherd's Bush) (Lab): Will the right hon. Lady give way?

Mrs. May: The hon. Gentleman has just heard me say that I want to make progress, so I suggest that he contain himself a little.

We believe that we need to establish equivalent requirements for MEPs. That is why the Conservative party has published a new code for Conservative MEPs on the use of expenses and allowances. They have

[Mrs. May]

undertaken to abide by the rules of the European Parliament on the payment of expenses and allowances to Members, and to fulfil additional requirements for transparency and accounting in their allowances and expenses. Those will be published in the way we are publishing the expenses and allowances claims for Members of Parliament. We are taking action unilaterally and I hope that it means that Conservative MEPs will abide by additional transparency rules, over and above those of the European Parliament. The Labour party is not adopting those rules for its MEPs and I hope—[HON. MEMBERS: "We've already got them."] Several Labour Members claim from a sedentary position that I am wrong, and I will deal with that shortly. There is a genuine difference between the requirements that the Labour party places on its MEPs and those that we will place on ours. Conservative MEPs will have an equivalent requirement for publishing expenses to the one that we place on Members of Parliament. That gives me an opportunity to consider the Government amendment.

When I first heard about the amendment, I believed that we were making progress. After the vote on 3 July, the Prime Minister said:

> "I was not happy about what happened. I was disappointed... now we must look at the issue of expenses and accountability again."

Given that the Leader of the House moved quickly on MPs' addresses—a statutory instrument on that is being considered tomorrow—I thought that she would introduce concrete proposals on allowances that would mean progress before the recess. However, it has taken today's debate to make the Government do anything about the matter or make any proposals to the House. I fear that we give the public the impression that we are willing to move when it comes to protecting ourselves, but not when it comes to protecting taxpayers' money and showing that we are doing that.

Helen Jones *rose*—

Mrs. May: Let me get a little further because I want to make a specific point about the John Lewis list.

Instead of a clear decision about the John Lewis list, the amendment would refer it to the Speaker's Advisory Panel on Members Allowances. Far from removing MPs' right to buy items such as TVs and fridges on the taxpayer, the Government would retain it. According to my reading of the amendment, we would effectively replace the John Lewis list with the IKEA list. The Leader of the House's statement does not take us much further because she offers us Government consultation on capping the extent of claims to 10 per cent. of the additional costs allowance—nearly £2,500 every year.

Under the Government amendment, the taxpayer would still foot the bill for MPs' furniture and household goods. I do not believe that that is acceptable and that is why we have specifically rejected that aspect of the current arrangements in our motion. The Government also suggest that the task of rewriting the green book, which is currently a matter for the Members Estimate Committee, should be given solely to the Speaker's advisory panel. The Speaker's Advisory Panel on Members Allowances is a different animal from the Members Estimate Committee. It has a Government majority and its remit is purely advisory. Perhaps when the Leader of the House responds, she could say whether she intends to change the remit if she is asking the panel to rewrite the green book rather than simply advise the Members Estimate Committee about it.

The second half of the Government amendment deals with the role of the National Audit Office and it has two parts. I believe that the first part, which tackles what the NAO should do in considering the rules that the House operates, is contrary to the NAO's legal powers under the National Audit Act 1983, which states that the provisions

> "shall not be construed as entitling the Comptroller and Auditor General to question the merits of the policy objectives of any department, authority or body in respect of which an examination is carried out."

Assuming that the amendment means that the Government are asking the NAO to say whether the rules are correct, or, as was suggested on the radio, that the John Lewis list is being replaced by an NAO list, the NAO does not have that power and therefore could not effect the intention.

The second part of the amendment that deals with the NAO covers what it already does. It already audits on a random basis all the allowances that Members claim and the controls and processes that the Department of Resources uses. That part of the amendment is therefore superfluous. Far from giving us a more rigorous audit regime, the amendment does nothing.

The amendment also deals with MEPs' expenses. I said that I would state the differences between what Labour and Conservative MEPs do. The Government claim in their amendment that they have open and transparent procedures, but they are far from open and certainly not transparent. The requirement on Labour MEPs is to submit themselves to an audit. The results are not published and I do not believe that anyone even has to publish details of who does the audit for Labour MEPs. We are bringing our MEPs' expenses into the open in the same way as MPs' expenses are being brought into the open. I hope that the Government will be prepared to bring their MEPs' expenses into the open at the same time.

Mr. Kevan Jones: I am grateful to the right hon. Lady for giving way. Will she indicate today whether the Conservative party will make the measure retrospective, so that we can see what the crooked Tory MEPs have been up to over the past few years?

Daniel Kawczynski (Shrewsbury and Atcham) (Con): On a point of order, Mr. Speaker—

Mr. Speaker: Order. I am sorry, but I was speaking to an hon. Member when that remark was made. The hon. Gentleman must withdraw that remark, or qualify it.

Mr. Jones: I am sorry, Mr. Speaker—I will just say "creative use of their expenses", then.

Mrs. May: I would simply tell the hon. Gentleman that I have already set out that, later this year, Conservative MEPs will publish details of their expenses and allowances. They will be subject to a rigorous regime; Labour MEPs will not be subject to that rigorous regime.

The Government amendment is disappointing. We have a chance to work on the issue, to change the current system and to ensure that we move the House forwards in a way that meets the requirements of the public. But instead, we have taken a half-hearted and tentative step. The public deserve better than that indecision. When the Government referred the issue to the MEC back in February and put the proposal before the House, the Prime Minister wrote to Mr. Speaker and said:

> "Labour MPs want to cooperate fully with your review, with its findings, and with any further requirements it may make upon them and we will insist that this happens."

Sadly, that did not happen, because a majority of Labour MPs voted against the MEC report, which meant that it did not go through. The Government did not show leadership, with 33 Ministers, including five Cabinet Ministers, voting against the reforms in the MEC report.

We have an opportunity today to make good some of the damage done by the vote of 3 July and to show the public that we are deserving of our office and their votes, and that we did not enter the House to take advantage of the taxpayer. We understand the privileges and responsibilities of being a Member of Parliament. We are willing to place on ourselves the same sort of requirements for transparency and the checking of our expenses and allowances that we expect other people to place upon themselves. We should not consider that we are different simply because we are Members of Parliament. We should be willing to adopt the same sort of practices that are best practice in the public and private sector elsewhere.

1.22 pm

The Leader of the House of Commons (Ms Harriet Harman): I beg to move, To leave out from "(MEPs)" to the end of the Question, and to add instead thereof:

> "believes that all British Members of the European Parliament (MEPs) should follow all the open and transparent procedures voluntarily adopted by Labour MEPs; further to debate in the House on 3rd July on the control and audit of the public money spent by hon. Members carrying out their duties, further believes that there should be a re-writing of the Green book by the Advisory Panel on Members' Allowances, augmented by two independent external appointees; further believes that the Panel should keep the Green Book under review and advise on any further modifications, including in relation to reimbursement of reasonable costs of a second residence, to include abolition of the so-called John Lewis list; and further believes that an external financial audit by the National Audit Office, covering all the allowances in the Green Book, should include the rules and guidance on what is and what is not acceptable under the rules, the management controls and processes used by the Department of Resources to ensure compliance with the rules, and the checks and testing of the controls to ensure that they are adequate and effective.".

Let me start by agreeing with the points that were made by the right hon. Member for West Derbyshire (Mr. McLoughlin) and the right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg). It is unprecedented for the House to be debating, as whipped business, matters that are traditionally decided on a free vote. Opposition day debates are by definition partisan and are whipped by both the Opposition and the Government. What the Opposition have done with their motion is to take House matters, which are by custom and practice decided on a free vote, and make them into whipped business. That is regrettable.

Let me turn to the substance of the debate. Our starting point is the health of our democracy. That depends on two things. It depends on us as Members fulfilling our responsibilities—doing the work that is expected of us in our constituency, and here in the Chamber and all the Committees of the House. Unless Members are London MPs, as I am, they have to live in two places—in their constituency and in Westminster—and to travel between that constituency and Westminster.

As MPs, it is our responsibility to help with our constituents' problems, to listen to their concerns and to play a leading role in the life of our constituency. To do that effectively Members must have a good team of staff. I pay tribute to my hard-working team of constituency staff. Our constituents write to us, e-mail us and phone us, and they expect, quite rightly, that we should reply. They come to our surgeries and expect, quite rightly, that we will take up their case. They expect us to tell them what we do. That is why most of us have websites and some of us do annual reports.

I, and many others in the House, believe in equality. We believe that to be MPs, we should not have to depend on private wealth to do our job and carry out the responsibilities placed upon us by our constituents.

Mr. Andrew Tyrie (Chichester) (Con): I have a great deal of sympathy with what the right hon. and learned Lady has just been saying, but with regard to communication with constituents, does she not think that the time has come to look again at the communications allowance? Is it not the case that, as the Chairman of the Public Administration Committee said, it is an exercise in shameless self-promotion? Has not the communications allowance, too, brought us into disrepute, and is it not time we reviewed it?

Ms Harman: No, I do not agree with the hon. Gentleman. Before the communications allowance was introduced, I used to do an annual report for my constituents, setting out what I had done in the previous 12 months and inviting them to comment on the priorities that I had set for the next 12 months. I probably used the incidental expenses provision outside the rules, but I thought that it was very important to communicate with my constituents. It was to deal with such matters that the communications allowance was introduced. I do not think that it is disreputable for hon. Members from any part of the House to tell their constituents what they are doing. When the public know what MPs are doing, they are more supportive and can get involved.

Sir Patrick Cormack: The Leader of the House knows that I am entirely with her in her opening remarks, but frankly, the communications allowance is an abuse. Any self-respecting Member of Parliament knows how to be well known in his or her constituency. We had years without the allowance. I have never claimed a penny of it and I have no intention of ever doing so. Neither I nor the hon. Member for Bolsover (Mr. Skinner), nor many of the Members present, need that sort of thing to be decent constituency MPs.

Ms Harman: The communications allowance is not mentioned in either the Opposition motion or the Government amendment. I said what I believe to be the case about it—and it was decided by the House that we would have a communications allowance.

Daniel Kawczynski: I am grateful to the Leader of the House for giving way. I totally concur with her about how hard-working our staff in our constituencies are, in dealing with sometimes very emotional and difficult cases. My secretary, Mrs. Helen Sheppey, does a marvellous job. Does the Leader of the House share my concern about the way in which the media report on our expenses? Some constituents actually believe that the money comes directly to us. The media are part of the problem, because some constituents do not realise that the money goes to other people, rather than to us. The media are to blame for that.

Ms Harman: It is wrong for the media to give the impression that the money that is available and is paid directly to our staff—our having deposited contracts of employment and job descriptions for those staff doing the work—is added to our pay. The media should not imply that that money goes into our pockets. That is why it is so unfortunate that one Member of the House did not respect the proper rules and brought us all into disrepute.

Jo Swinson (East Dunbartonshire) (LD): The Leader of the House was talking about the expectations that our constituents have of us. Does she not accept that our constituents also expect us to have an expenses regime that is transparent, accountable and fit for the 21st century, rather than something more akin to an old boys' club? For that reason, does she not think that the vote on 3 July was incredibly damaging to democracy? Although I believe that the Members Estimate Committee report did not go far enough in proposing a radical overhaul of the system, it will have beggared belief among her constituents that we voted against better accountability and better scrutiny of our expenses.

Ms Harman: I agree with the hon. Lady that our constituents expect openness, transparency and a properly enforced system. If she will allow me, however, I should like to get on with explaining how I think we can achieve that in the House.

Mr. Tyrie: Will the right hon. and learned Lady give way?

Ms Harman: I have already given way to the hon. Gentleman once, so I will press on with my speech for the moment. The allowances are to help us to do our job.

Mr. Touhig: Partly to respond to the hon. Member for East Dunbartonshire (Jo Swinson), can we make it absolutely clear that the recommendation of the MEC for an external audit never intended that that audit should be published? A myth has grown up as a result of that debate that the external audit recommended by the MEC was to be made public. It was never to be made public; that was not the recommendation. Can we make that clear in the House?

Ms Harman: My right hon. Friend is right on that point. Our allowances are important for us to do the work that sustains public confidence, but we know that it undermines confidence in the House, and in us, if they are abused. We all know that the public are angry that a small number of Members have misused allowances. We want to ensure that that does not happen in future. It is not just the public who are angry. Most hon. Members are angry, because all of us who work hard and obey the rules are stained by the misconduct of a few, and the reputation of the House, which we hold dear, is undermined.

Anne Main (St. Albans) (Con): It is not only hon. Members who abuse the allowances who are pilloried by the press. Hon. Members who comply completely with the rules are also abused by the press. Indeed, the issue is used as a party political football by some people who aspire to enter this place. It is completely wrong that we should not look at this matter again, in the light of the fact that this is a media-driven thing. People who use their allowances properly should not feel bad about using them.

Ms Harman: I agree with the sentiment behind what the hon. Lady says. However, building on what the House decided on 3 July, we will be able to give ourselves, as well as the public, more assurance that the rules are clear, and will be properly complied with by all of us.

Mr. Tyrie *rose*—

Mr. Kevan Jones *rose*—

Ms Harman: I will not give way to the hon. Gentleman, but I will give way to my hon. Friend the Member for North Durham (Mr. Jones).

Mr. Jones: The right hon. Member for Maidenhead (Mrs. May) suggested that Labour Members of Parliament had been abusing the system. However, is not the reason why this matter has such a high public profile the fact that every case of Members abusing the system that has gone before the Standards and Privileges Committee has involved Conservative Members?

Ms Harman: We have only to check the reports of the Standards and Privileges Committee to understand the point that my hon. Friend is making about the situation in Parliament.

Earlier this month, we made decisions on pay and allowances. We set up a system that will rightly prevent us from voting on our own pay increases in future. Instead, they will be set by an independent review body. We have also made decisions to improve the system of allowances. On 3 July, we agreed that no staff should be paid out of public funds unless evidence of their employment—a contract of employment and a job description—had been deposited with the House authorities. We also agreed that there should be a strengthened system of audit.

As Leader of the House, it is my responsibility to consider how we put the will of the House into effect. That means implementing the resolutions of 3 July and considering how we can build on the clearly expressed view that we need to do more to ensure that the rules are clear and properly enforced, so that we protect public money and the reputation of the House.

Mr. Tyrie: Will the Leader of the House give way?

Ms Harman: I will not give way to the hon. Gentleman again; I have already given way to him once.

After the vote on 3 July—and certainly before this debate was called by the Opposition—I have had a number of discussions with hon. Members, with the Chair of the Committee on Standards in Public Life, Sir Christopher Kelly, and with the Comptroller and Auditor General, Tim Burr. I have also prepared a written ministerial statement, which I have laid before the House this morning, and which forms the basis of our amendment to the Opposition motion. I want to reassure the House that what I have set out in my written ministerial statement today and in our amendment to the Opposition motion is based on a programme of work and discussions that I have been undertaking, and that it is not in any sense a response to this Opposition day debate.

I would like to outline briefly the measures that will build on the decisions the House took on 3 July, in respect of which I intend to issue a consultation document. The key elements include the proposal that the green book that sets out the rules on entitlements to allowances should be rewritten by the Advisory Panel on Members' Allowances, in the light of decisions taken by the House on 3 July, and to abolish the so-called John Lewis list. The Advisory Panel on Members' Allowances will keep the green book under review and advise on any further modifications to the rules that may be required, including in relation to reasonable costs of a second residence. I will consult on including capping furniture costs at 10 per cent. of the additional costs allowance. The membership of the Advisory Panel on Members' Allowances will be increased to include two independent external appointees.

Mrs. May: In my speech, I expressly asked the right hon. and learned Lady to address the issue of the remit of the Speaker's advisory panel and to clarify whether the next rewrite of the green book will be a matter solely for the panel. Is she suggesting a change to the rules so that the MEC will have no role in that?

Ms Harman: The green book is ultimately a matter for the House, but the important thing is to give to the Advisory Panel on Members' Allowances, augmented by two independent external appointees, the responsibility of keeping the green book under review and ensuring that proposals come forward, including on the question of the reasonable cost of second residences.

Linda Gilroy: On the additional costs allowance, is my right hon. and learned Friend sympathetic to revisiting the issue of central provision of accommodation—not, as it has been caricatured, in a single block somewhere in central London, but in a range of rented accommodation—and, more importantly, to having the House authorities hold any capital gain, or indeed any loss, if Members are here for only a short time?

Ms Harman: I will be issuing a consultation document, and the Advisory Panel on Members' Allowances will be looking at this issue. My hon. Friend will no doubt be able to contribute to those processes.

The key elements will also involve an external financial audit by the National Audit Office that will cover all the allowances in the green book, not just the additional costs allowance. It will also cover travel, staffing costs, incidental expenses provision for other office costs, and the communications allowance. Furthermore, the NAO financial audit will be extended to include an NAO audit of the rules and guidance on what is and is not acceptable under the rules, an NAO audit of the management controls and processes used by the Department of Resources to ensure compliance with the rules, and NAO checks and testing of the controls, to ensure that they are adequate and effective. I propose that the NAO should report to the Members Estimate Audit Committee, which will include three external independent members.

I am encouraged that the Comptroller and Auditor General believes that, given the additional evidence to be provided in support of claims, there is an opportunity to strengthen significantly the assurance that public money has been properly spent.

John Mann: What time scale is my right hon. and learned Friend putting on the final decision making on these issues?

Ms Harman: The consultation document that, as is set out in my written ministerial statement, I will be putting forward, includes the strengthening of the audit and the putting into effect of the decisions of 3 July. The written ministerial statement has been put before the House today, and I expect to issue the consultation document shortly. It would be appropriate for us to have concluded that aspect of our work before the publication of the green book on hon. Members' expenses in the autumn.

Simon Hughes: Following that last question, can the Leader of the House confirm that if, after the consultation, we adopt the approach that she is consulting on—which will involve trying to undo some of the decisions that we made a fortnight ago—there will need to be a vote here, and her Back Benchers will need to vote for the proposals, not against them?

Ms Harman: I hope that support for reasonable audit will come from across the House. The National Audit Office proposals—which were put to the MEC but which did not form the subject of the MEC's proposals—provide a good way forward, and I hope that the whole House will agree that they would provide us with the assurance that we need that public money is being properly spent in respect of all Members' allowances.

I now turn to the question of the European Parliament. As long ago as 2000, Labour Members of the European Parliament who were concerned about the lack of accountability for spending on allowances in the European Parliament introduced their own system. This includes, among other provisions, an independent financial audit for each MEP's total expenditure every year, which is then published on their website. For eight years, the UK's Labour MEPs pressed for other UK parties to follow this example. Until eight years later, when the Leader of the Opposition announced his so-called "deep clean", nothing was heard from them. At Government level, we have raised with the President of the European Parliament the need for greater accountability for spending by all the European Union's MEPs.

[Ms Harman]

In conclusion, if the Government amendment is carried today—and pursuant to my written ministerial statement—certain things will happen.

Mrs. May: The Leader of the House made a statement a couple of minutes ago about the National Audit Office and the Members Estimate Committee report. She said that the MEC report did not include references to external auditing by the NAO, but it did—in recommendation 2, under audit and assurance. Will she explain how what she is proposing now differs from the MEC proposals?

Ms Harman: It differs in a number of ways. It goes beyond the additional costs allowance to include travel, staffing, the incidental expenses provision and the communications allowance. It will not only look into the spending of individual Members, but audit the Department of Resources to make sure that the rules are effectively applied.

Mr. David Hamilton (Midlothian) (Lab): May I bring us back to a housekeeping issue? The consultation will take place for nearly three months over the House of Commons recess, so will the Leader of the House ensure that there is a dialogue, and that people can be contacted to try to clarify any points during the recess? That is a simple matter of housekeeping.

Ms Harman: My hon. Friend makes an important point. I want to reassure people that when the House returns after the recess, there will be an opportunity to consider the proposals further.

As for the abolition of the "John Lewis list", which is mentioned in both the Opposition motion and our amendment, I remind the House that that was a list that no MP had ever heard of until it appeared in the newspapers.

I will consult on the proposals I have set out, so that when the House returns in the autumn, we will be able to put into effect new rules and a new system of audit that gives Members and the public the confidence that the payment of expenses is on a proper footing so that we can all get on with the job that our constituents elected us to do, which is not to debate and discuss ourselves, and our own pay and allowances, but to focus on them and on their day-to-day concerns, and to take the action that they want us to take in the interests of this country.

1.42 pm

Simon Hughes (North Southwark and Bermondsey) (LD): Although it is controversial, I am glad that we are having this debate today.

Sir Patrick Cormack: You would be.

Simon Hughes: Yes, I would be, because the House made a bad mistake on 3 July. This is a brave move and the Leader of the House is right to bring the matter back to the Floor of the House.

I start with what I hope will be non-controversial comments, so I guess that what I say after that will be more controversial. First, I join the Leader of the House and the shadow Leader of the House in paying tribute to our staff. We could not do the job the public expect of us without our extremely hard-working, diligent and committed staff. They are often in the front line of people's life tragedies, dramas and pressures, which sometimes means that they encounter threats of suicide, fears of eviction tomorrow, deportation today and so forth. The reality is that they do a fantastic job.

Let us be clear. At the moment, the allowance for our staff is something between £90,000 and £100,000. To put it simply, that means that if we have four staff fully on the payroll as I do—two here and two in my constituency office—and if we include national insurance, they are receiving something in the order of £20,000 to £25,000 each. That is the amount if we divide the cake four ways. If we had fewer staff, they would of course get more, but this is what we are talking about. We are not talking about staff earning £30,000, £40,000, £50,000 or £60,000 as part of a staff team; rather, it is a wage that other people with the same abilities working in the private sector would vastly exceed. I hope that we are clear about that and that it is not a matter of dispute. Our staff do a very important job for us.

We need to clarify what happened in the famous debate of 3 July. Some areas were not controversial and were agreed. There were 14 substantive recommendations from the Members Estimate Committee: they were unanimously proposed by the right hon. Member for Penrith and The Border (David Maclean), the hon. Member for Middlesbrough (Sir Stuart Bell), my hon. Friend the Member for North Devon (Nick Harvey), the Leader of the House, the shadow Leader of the House and Mr. Speaker.

Of those 14 recommendations, those on constituency offices and communications, of which there were two, and on travel, of which there were two, went through without any dissent. Two substantive issues, emanating from the amendment proposed by the right hon. Member for Islwyn (Mr. Touhig), were disputed and were not agreed. First, three different recommendations put forward a clear proposal, which everyone here will understand:

> "We recommend that, with immediate effect, Members should no longer be able to claim reimbursement for furniture and household goods or for capital improvements".

Secondly, it was proposed that

> "new MPs elected to the next Parliament to represent constituencies in outer London should be eligible to claim half of any overnight expenses allowance; and all MPs representing those seats should be restricted to claim half the standard rate".

That was to deal with the perceived abuse surrounding colleagues in outer London who were claiming in respect of two homes, irrespective of the fact that they lived just over the line between inner and outer London and were actually able to get home relatively quickly. They received the full allowance on the same basis as a colleague living in Orkney, Shetland, Cornwall, west Wales or the like.

The third proposal that was not accepted was that

> "the Additional Costs Allowance be adapted into an overnight expenses allowance, comprising a £19,600 maximum budget for accommodation (excluding furniture, household goods and capital improvements) but operating on the basis of itemised reimbursement and a flat rate of £30 for daily subsistence."

That was the proposal and it meant that MPs could have furnished accommodation, stay in a hotel or have the money for the purchase of accommodation as well as a daily rate for subsistence, but that the allowance did not include furnishing.

Mr. John Spellar (Warley) (Lab): Is not all this in the nature of a differential allowance? In such a scheme, there is a always border and a line, and anyone with any experience knows about London weighting allowances. There will always be people living just one side or the other of a border. Unless we have an overall national rate, that will always apply, so is not the hon. Gentleman putting forward a rather silly argument?

Simon Hughes: No, it is not a rather silly argument and it is not my argument. It is an argument supported by the top salaries review people, by Sir John Baker in his report and by the Members Estimate Committee. The argument is that the abuses of some people who live nearby—only 20 to 25 minutes away, in some cases—and have two homes have to be reined in.

The final set of proposals from the MEC, which were backed up by the independent review, suggested that there should be a full audit of all expenses, not just of the additional costs allowance. The amendment, which was carried, limited audit to the additional costs allowance and not the other things.

Mr. Kevan Jones: I think that the hon. Gentleman has fallen into the same trap as many others since that debate in believing that the MEC report has somehow become the Ark of the Covenant and that everything in it was wonderfully transparent. The fact of the matter is that if we had voted for the proposal, we would have given ourselves £4,200 a year—an unreceipted, tax-free bung. Secondly, on the audit of offices and other aspects, the proposal was not for a financial audit but for £1,500 a day to be paid to consultants for snooping around offices. What I am in favour of, which is being proposed now, is a rigorous audit of all budget heads. What the hon. Gentleman is talking about is not what was being put forward—*[Interruption.]*

Simon Hughes: I am afraid to say, as the right hon. Member for Maidenhead (Mrs. May) is saying, that the hon. Gentleman is misrepresenting the position—*[Interruption.]* I am reading it; the proposal is in front of me. The recommendation was quite clear:

> "there should be a robust new system of practice assurance involving regular financial health checks on records kept and processes used in Members' offices with outside professional teams covering about 25 per cent. of Members each year and every Member each Parliament".

Mr. Touhig *rose—*

Simon Hughes: I shall give way to the right hon. Gentleman in a moment.

The difference was that it would have been an audit of everything, not just—*[Interruption.]* Potentially of everything. It was not just of the additional costs allowance. Most people out there cannot understand why we are not willing to have everything audited and willing to have only some things audited. *[Interruption.]*

Mr. Deputy Speaker (Sir Michael Lord): Order. The hon. Member for North Durham (Mr. Jones) might not like what he is hearing, but I would be grateful if he did not keep chuntering from a sedentary position.

Simon Hughes: I give way to the right hon. Member for Islwyn.

Mr. Touhig: I am grateful to the hon. Gentleman, who is being generous in giving way. Does he accept the point that I and perhaps others made on the day of that debate? I was concerned about the cost of the assurance, which I think we had difficulty justifying, but will he support me in killing off the myth that the external audit proposed by the Members Estimate Committee was to be made public? It was never to be made public. That was the recommendation. We have this myth growing up that, somehow, what we have done is secretive and that what we could have done would have been transparent. It was never to have been transparent. It was never to be told to the world.

Simon Hughes: On that point, I absolutely agree with the right hon. Gentleman. I am trying to ensure that where there is consensus, we have it. The difference was that it was an audit of everything. I share concerns that we should not have a hugely expensive process with millions of quid going to the private sector, but that would not have been the implication had we voted for the motion tabled by the Members Estimate Committee.

I come now to discuss the issues that are, I guess, less controversial. First, I think we made a bad decision on 3 July. I made that clear in my speech at the time and I make it clear again today. The tough audit proposals were voted against by 172 MPs: 149 Labour, 21 Conservative, one independent and, bizarrely, our new UK Independence party Member, who voted in both Lobbies. He must explain that.

Linda Gilroy: Will the hon. Gentleman give way?

Simon Hughes: Not for a moment. Every one of my Liberal Democrat colleagues who was here—*[Laughter.]* No, no, no. Every one who was here voted in favour of the tough and transparent system, and 55 per cent. of our parliamentary party was here. All of them voted for the open system. Of the—

Mr. Touhig: Will the hon. Gentleman give way?

Simon Hughes: No, not for a second. Of the Conservatives, 54 MPs voted for the open and transparent system and 21 voted against. Had those 21 voted for, we would not be in this mess because the amendment would not have been carried. That means that only 27 per cent. of the Tories were in favour of the open system. There were 201 Labour Members here and voting. Of those, 52 were in favour of full transparency and 149 against. That means that only 14 per cent. of the parliamentary Labour party voted in favour of an open system.

Several hon. Members *rose—*

Simon Hughes: I will make one last point and then give way to the hon. Member for Plymouth, Sutton (Linda Gilroy).

Even if every one of my colleagues had been here, there would not, contrary to what the right hon. Member for Maidenhead (Mrs. May) suggested, have been a majority against the amendment. Had her Tory colleagues voted with her, there would have been and we would not be in this mess.

Linda Gilroy: As we are all honourable Members, will the hon. Gentleman take it from me that those of us who voted differently from him did so because we did not think that the proposal was robust, effective, transparent and representative of good value for taxpayers' money?

Simon Hughes: The hon. Lady will have to explain to her electorate her vote on that day, as we all have to do. All I can say is that the external pressure, which arose for reasons that we all know, for us to have the most robust, the most open and the most transparent system has been greater than ever. As a result of consensus recommendations made to us by senior colleagues and endorsed by the Committee on Standards in Public Life, we were given an opportunity to do something about that and we bottled it. That is why the Leader of the House has this morning, out of the blue, produced proposals in a written statement to try to rescue the Labour party from the predicament that its own Back Benchers got it into. As she says, those proposals would have to come back to the House to be voted on.

Mr. Andrew Robathan (Blaby) (Con): I am most grateful to the hon. Gentleman for giving way, and I should say that I voted against the amendment tabled by the right hon. Member for Islwyn (Mr. Touhig) on grounds of transparency.

The hon. Gentleman is raising sanctimony to a new art form. Where was the right hon. Member for Sheffield, Hallam (Mr. Clegg) and where were the other 29 Liberal Democrats, if they felt so strongly about this? Everybody else was to blame, but oh no, not the Liberal Democrats.

Mr. Deputy Speaker: Order. Before the hon. Member for North Southwark and Bermondsey (Simon Hughes) responds to that question, may I say that I know there is considerable interest in the matter outside the House? I understand that hon. and right hon. Members want to make their points and make their position clear, but we should remember the duty that we all owe to ourselves as Members of Parliament and to the House of Commons. We should debate this matter calmly and constructively.

Simon Hughes: I will answer the question calmly and constructively. My right hon. Friend the Member for Sheffield, Hallam was here for the first votes, but he had a long-standing commitment way out of London, to which he went, and he had to leave in the early part of the evening. Other friends who could not be here were at public events—my hon. Friend the Member for East Dunbartonshire (Jo Swinson), for example. The answer is that some of my colleagues were not here, like other Members, but most of them were and every one of them voted for the open and transparent system.

Several hon. Members *rose*—

Simon Hughes: No, no. I am going to press on because colleagues—

Mr. Touhig: Will the hon. Gentleman give way?

Simon Hughes: I have already given way to the right hon. Gentleman.

Several hon. Members *rose*—

Simon Hughes: No, no. The Leader of the House therefore thought that she had better respond to the Conservative motion by producing something that tried to take things forward. *[Interruption.]* The Leader of the House protests that that is not fair, but it is on the Order Paper today as a written statement—not yesterday, the day before or last week, but today. There was no notice of it coming. I honestly believe that the general interpretation is that it is a response to the fact that we are having the debate today. If it is not, I apologise, but it seems mighty strange that it just happened to appear on the same day and after we saw the motion tabled.

Ms Harman: I ask the hon. Gentleman to withdraw that and accept the word that I have given the House, which is that the work that I was undertaking was under way, following the 3 July vote. I had discussions with, for example, the Chair of the Committee on Standards in Public Life and the Comptroller and Auditor General long before we realised that an Opposition day debate was tabled, and indeed discussed with them the value of a written ministerial statement. So I had already discussed the timetable of the written ministerial statement with them. I think the hon. Gentleman should withdraw what he said. I take offence at what he has said about what I have told the House. The work was under way; it was not a response to the Opposition day debate, and he should not choose not to believe me on it. I do not think that is fair.

Simon Hughes: The right hon. and learned Lady and I have known each other for a long time. I am not misrepresenting her. Of course I accept what she says about the talks having been under way since 3 July. I know that; I accept it. The only thing I am observing is the slightly strange coincidence that the written statement landed on the Order Paper today and that we heard about it only once we knew there was going to be a debate today. Only freedom of information requests will tell, I guess, when it was decided to include a statement on the Order Paper today. The rest I absolutely accept; I do not dissent at all.

Under the right hon. and learned Lady's proposals, the John Lewis list would be abolished. That would be a good thing. There would not be a complete abolition of the payment for household goods and things in a property, as recommended—there would still be a possibility of spending on those, amounting to 10 per cent. There would be an audit, which is what was proposed two weeks ago. So this must be an attempt to scramble back and put things together after what the right hon. and learned Lady voted for was not carried because her colleagues—by a large majority of 3:1—did not follow her into the Lobby on 3 July. That is good; the Government have realised that we cannot go on as we are. If the voices that come from this place today make that absolutely clear, that must be a good thing because the sooner we get out of this mess, the better.

Greg Mulholland (Leeds, North-West) (LD): May I try to put this matter in simple terms, in spite of the chuntering and the side swiping? Is it not the simple reality of the situation that although the reform package might not have been perfect—would any package have been?—it nevertheless would have represented a huge step forward in restoring public confidence? Anyone voting against it for any reason was mind-blowingly stupid and arrogant.

Simon Hughes: That is my view, and my hon. Friend, blunt Yorkshireman that he is, puts the case clearly. We had a proposal that would not have been perfect, but that would have been miles better than where we were. Some of us voted for it, but, sadly, the majority did not.

I shall say quickly what the Liberal Democrats will do, because political parties must deliver on the matter, as well as the House as a whole. The day after the vote, my right hon. Friend the Member for Sheffield, Hallam announced that we would implement for ourselves the MEC proposals. We will have spot checks for all Liberal Democrat MPs. We will have independent auditing of our expenses. Every one of our shadow Cabinet members will publish all their expenses, as my right hon. Friend has done, and as Conservative Front Benchers will do. Ours will be published by next Tuesday so that people can look at them, and they will be published on a regular basis thereafter. That is the right thing. There may be questions, but at least everyone will be able to see the facts.

One of the reasons why the European Parliament is often discredited is that people perceive MEPs as being on a gravy train. As someone who has never been an MEP, may I say that it has looked like that even to those of us who support the European Parliament, the European Union and the rest? My friend Chris Davies, a Member of the European Parliament for the north-west, was one of those who said earlier this year that such practices had to stop, private reports in the European Parliament had to be made public, and abuses in the European Parliament had to end. I pay tribute to his work.

We are committed—as the Labour party has been, to an extent, for a while, and as the Tories are belatedly, having made a mess of their expenses in the European Parliament for so long—to declarations by everyone who is elected as to whether they are a member of the parliamentary pension scheme, whom they employ as assistants and whether they are members of their family, and the band of payment within €10,000 bands; nothing being used to cover personal expenses, or to finance subsidies or gifts of a political nature; annual accounting of the allowance; certified independent certification of all the expenditure; annual publication by everyone of everything that they spend; proper contracts; publication on the website, with the consent of staff, of those who work for them; publication of all the service providers; subsistence allowance claims to be published on the website; and generally, complete transparency.

All parties in the House are moving to that being the regime in the European Parliament.

Mr. Spellar: Will the hon. Gentleman give way?

Simon Hughes: I shall not give way again.

I hope that everyone in the European Parliament will go down that road, but some Members of the European Parliament from countries that are absolutely resistant must learn that if they are to give credibility to the European Parliament elected next year, they too need to follow the example being promoted by colleagues such as Chris Davies. I hope that the European Parliament will learn the lesson, and that its reputation will be enhanced as a result. We will support the motion on the Order Paper. I hope that it will produce a speedy consultation, a speedy response, a speedy proposal from the Leader of the House, and a vote that goes the right way when the House returns from the summer recess.

Several hon. Members *rose*—

Mr. Deputy Speaker: Order. Before I call the next speaker, I remind the House that Mr. Speaker has put a 12-minute limit on Back-Bench speeches, which applies from now on.

2.3 pm

Sir Stuart Bell (Middlesbrough) (Lab): I am grateful, Mr. Deputy Speaker. You made an intervention a few minutes ago about the value of the House of Commons. We need to keep in proportion the fact that this is a House of Commons debate, and that we are an important part of Parliament. I will return to that in my final remarks.

I will not follow the speech of the hon. Member for North Southwark and Bermondsey (Simon Hughes) in relation to the European Parliament, which is not my remit. He made some other pertinent points, however, to which I shall refer during my speech.

The hon. Member for South Staffordshire (Sir Patrick Cormack), who is still in his place and follows such debates as a great parliamentarian, has a great dislike of the communications allowance. It is remarkable how often that view is reflected on the Conservative Benches. In an age in which we get little from our media and have to deal with our constituents through the prism of the media, I would have thought that an allowance that enabled Members of Parliament to communicate with constituents in a non-partisan way about what we are doing would be welcomed throughout the House. The hon. Gentleman would certainly welcome the fact that the MEC report proposed to freeze the allowance at £10,000 for three years from next April.

I enjoyed the speech of the right hon. Member for Maidenhead (Mrs. May), as I did her speech on 3 July—she made the speech that I would have made, so it saved me from making it. I agree with many of her points, certainly in relation to the role of the National Audit Office and the thorough work that it is doing now, which will continue. One of the ironies of today's debate, and the proposal to extend the role of the National Audit Office to do an audit of 25 per cent. of MPs throughout the whole Parliament, is that that was a recommendation of the MEC. I welcome the fact that the Leader of the House has now taken it on board.

The issue that has created the most mayhem among Labour Members is that of practice assurance, which was intended to assist MPs in their roles before they ever got near a National Audit Office full audit. According to our paper, the essence of the scheme was

> "to help Members compile and record better evidence of their claims; to check on the uses to which parliamentary resources have been put rather than (as now) verifying only the initial expenditure"—

getting behind the signature, as we said—

> "to clarify rules and guidance; to set a standards framework; to improve office systems and avoid errors; to support both internal and external audit."

There was a system behind that recommendation which enabled Members to put their house in order if need be, without reference to the dreaded Standards and Privileges Committee. That has been removed by the will of the House, and we are now faced with a simple audit.

[Sir Stuart Bell]

As we go along, we will need to find out what was the purpose of those audits, to what purpose they will be put, and to whom they will refer. My right hon. Friend the Member for Islwyn (Mr. Touhig), who is no longer in his place but follows such debates, was perfectly right: the NAO is exempt from the Freedom of Information Act, audits are exempt from that, and there would be no question of reporting to FOI people that there was an audit and what the consequences were.

I was not able to speak in the 3 July debate, which was truncated and covered two subjects: addresses and allowances. I do not propose to use my time today to go through all the arguments that took place then. The MEC had a clear view from the beginning—which was 24 January, when the Government gave us the review, rather than February. First, it was to reassure the public, and secondly, to do so in a way that enabled MPs to carry on their jobs in a complex society, which imposes great demands, to which the Leader of the House has referred, in e-mails, the internet and a host of other ways. The question was how do we relate and give confidence to the public, and also allow MPs to continue with their work.

Many comments have been made about the media coverage. We live in a world in which to keep in touch with civil society, the political society must cross the media bridge. If we cannot do so, there will be a great deal of criticism in the popular press and in our constituencies. There was no greater outrage than in my constituency Labour party when the MEC report was turned down. That was not a happy day for the House. Fewer than half the Members of Parliament voted on the matter, and that would be our criticism—not who voted which way, or which party voted for what, but that only half the MPs thought it appropriate to be here to vote on the question of their salaries and allowances.

When the MEC report was published, and the members of the MEC—the right hon. Member for Penrith and The Border (David Maclean) and the hon. Member for North Devon (Nick Harvey)—gave a press conference, it was well received by the media, and that converted into being well received by the public. We had begun to restore the reputation of the House. That fell catastrophically, as we knew it would, when the report was rejected, which brought some damaging and serious headlines, which I will not repeat now. However, it was clear—the hon. Member for North Southwark and Bermondsey has touched on this—that matters could not be left as they were on 3 July. A number of recommendations had been accepted, including that of my hon. Friend the Member for Bassetlaw (John Mann), and other recommendations were hanging in the air. It was not clear how we were to go forward, but the Members Estimate Committee always said that it would fully respect the will of the House.

Mr. Kevan Jones: Does my hon. Friend not think that it would have been better with hindsight to have produced a draft report and consulted Members on both sides of the House? They could have put forward some suggestions and amendments so that we might have had a degree of consensus about the way forward when the final report was produced.

Sir Stuart Bell: I agree entirely with my hon. Friend, although I would point out to him that when the Government sent this issue down to the Members Estimate Committee on 24 January, we said that we would need until October to go through the report with the utmost care, to consult a whole host of bodies, such as the National Audit Office, the Comptroller and Auditor General, the Inland Revenue and outside bodies, and then to get the support, if we could, of the 1922 committee—the Conservatives' Back-Bench committee—the parliamentary Labour party committee and then the House. We failed to do that. It is clear that our report had public support through the media, but it did not have the support of the House. The reason for that—I concur with my hon. Friend the Member for North Durham (Mr. Jones) on this—is that we did not have the time. If we had had more time, we could have looked at the issue more carefully, taken other matters on board and explained what we were trying to do, but we were not able to do that in the short time that we had. It would also have been preferable had the House been able to discuss allowances separately from pay, but the two came together on the same day, and things got very confusing and very confused. The result was not what it might have been, and the consequence is that we are here today debating the matter again.

Although this might be ironic, the fact is that it is a Conservative Opposition day motion that has brought the issue to the Floor of the House and which gives me the opportunity to make the speech that I could not make on 3 July. I am aware that the Leader of the House has had discussions with the Chairman of the Committee on Standards in Public Life and the Comptroller and Auditor General and that she has been very active since 3 July. I entirely accept what she has said about those discussions, but the fact is that the time scale for this second debate is longer, and we are therefore able to make some points and to take on board what the Government are now saying in their ministerial statement. I would surmise that we would still have had the ministerial statement had we not had today's debate.

On the ministerial statement, I welcome the commitment of the Leader of the House to bring within the purview of the original decision by the House an extension of the powers of the National Audit Office to cover all the allowances in the green book, as the MEC proposed, rather than just the additional costs allowance, as well as travel, staffing costs, incidental expense provisions for other office costs and the communications allowance.

I welcome the fact that the green book will be rewritten—another recommendation by the MEC—and that that will be carried out by the Advisory Panel on Members' Allowances. I wish the right hon. and hon. Members on the panel well. We met them and discussed our report with them as we went along, and I know that they are diligent and will seek to equate the interests of Members with those of the taxpayers who fund our Parliament.

I welcome, too, the statement by the Leader of the House that the National Audit Office should report to the Members Estimate Committee, which already includes three external members. Incidentally, I also welcome the fact that the work of the Advisory Panel on Members' Allowances will also be assisted by two independent members.

I also welcome the assurance from the Leader of the House that the Comptroller and Auditor General believes that there is an opportunity, given the additional evidence to be provided in support of all claims, significantly to strengthen the assurance that public money has been properly spent.

The House will decide on the motion and the amendment before it. I have enjoyed the comments of the hon. Member for South Staffordshire and the right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg), but the House must bear it in mind—this brings me to your original comments, Mr. Deputy Speaker—that what was at the forefront of the MEC's thinking in its review was the reputation of this House, balanced with the interests of Members. We have heard many comments about the role of Members and their heavy work load. On our salary and allowances, I have consistently taken the view that it is a privilege to be a Member of Parliament, and that privilege must be guarded with a sense of responsibility.

The Leader of the House and the right hon. Member for Maidenhead have referred to the fact that the reputation of the House has taken a battering over these past few months, but the House may soon have the power to declare war and it may take over the royal prerogative. It debates and decides on major issues, such as war and peace, human embryology, radical changes to society, justice and civil rights. It is still the fulcrum of the nation in times of crisis and of debate on national issues. I remember the debate on the Falklands war. I was not in the House at the time, but perhaps other hon. Members were. There was a debate in the House on the Saturday morning after the Falkland Islands had been taken over by the Argentines, and the question was what we should do. The entire nation listened to our debate on the radio—we were not on television in those days—which shows how important the House of Commons is in our affairs.

Restoring and enhancing the reputation of the House must be a matter for us all. If what we are doing today will add to the reputation of the House in a manner that is transparent and which gains public support, we may find ourselves on our way towards achieving that. I therefore support the Government's statement and their amendment. I wish the advisory panel, which is in the hands of my right hon. Friend the Member for Warley (Mr. Spellar), well. I also wish the National Audit Office, the office of the Comptroller and Auditor General, the Department of Resources, the Members Estimate Committee and the House of Commons Commission well.

There is a great deal of work to be done in the House between now and the general election to restore the reputation of this Chamber and this institution. If we fail to do that, Members of Parliament—whoever we are and from whichever party we come—will be castigated for failing to get a grip on the matters of perception that so involve our constituents. As the Leader of the House said, we do not live in an age of different regimes. The regimes have changed, and we must change. We must be responsive to public opinion. We have failed up to now. Let us hope that, from this day forth, we begin to re-establish the reputation of the House of Commons.

2.17 pm

Sir Patrick Cormack (South Staffordshire) (Con): I am grateful to Mr. Speaker for putting me on the list of those who want to speak in the debate because I have to chair a Select Committee. I want to speak very briefly and I certainly do not want to take up my 12 minutes.

I intervened on my right hon. Friend the Member for Maidenhead (Mrs. May) because I am extremely sad that this has become a party political issue. With the greatest respect, this is a misuse of an Opposition day. It would have been more appropriate for us to have debated the issue on another occasion or, if we have to give up time on an Opposition day, we should have had a free vote. Now, as far as I am concerned, this is a free vote—every vote in the House is a free vote as far as I am concerned—so I shall behave accordingly. The Chief Whip knows that, and we have the most amicable relationship, which I trust will long continue.

I am extremely concerned about the reputation of the House. I fundamentally and deeply believe that almost all Members of the House are honourable Members. I believe that they serve their constituents diligently, that most of them work very hard and that they deserve the appellation of honourable Member. What has happened over the past few months in particular is that the silly, misguided and, in some cases, downright wrong actions of a few Members have put us all in a difficult position. That we can all regret, both individually and collectively.

Mr. Kevan Jones: All Tories.

Sir Patrick Cormack: It does not matter from which side of the House they came; the fact of the matter is that certain Members have—

Mr. Jones: Will the hon. Gentleman give way?

Sir Patrick Cormack: I will not give way because I want to be brief. I deplore the fact that the hon. Gentleman is trying to make party politics out of this. I have made it quite plain that most people here are entirely honourable, and that goes for my colleagues on this side of the House and for colleagues on the other side of the House. There have been a few bad apples in the barrel. During the 38 years that I have been here, they have been pretty evenly distributed around the House of Commons, and I do not wish to make any capital out of that at all.

Of course we want a system that is—I do not particularly like the word "transparent"—open and honest and which people can understand. However, we also want a system that we do not need to be apologetic about. That is why I so endorse the comments made from time to time by my right hon. Friend the Member for Maidstone and The Weald (Miss Widdecombe), who is the quintessence of the right hon. or hon. Member. Much as I disagree with her on some issues, and we know which they are, she has constantly and rightly pointed out that Members of Parliament are all equal and they need an equality of treatment.

More and more, people who have come into this House do so as I did without any capital behind them or without inherited wealth or the prospect of it on whichever side they sit. Although when I came in there were no allowances whatsoever—only £500 towards the

[Sir Patrick Cormack]

employment of a secretary—I welcome the fact that more young people, and people of all ages, can contemplate coming here knowing that the necessary second home that they must have in London can be honourably and properly provided for. Of course it is right that receipts should be produced. Of course it is right that people should not be prodigal in their expenditure. However, we are talking about expenditure that is within a global limit of £23,000. No one wants the hon. Member for Wolverhampton, South-West (Rob Marris) to sleep in an empty box; of course they do not. Of course he must have furniture in his home.

I must say to my right hon. Friend the shadow Leader of the House that one inferred from her remarks—I am sure that it was not her intention—that it was not necessary for people to have homes that they could furnish and from which they could establish a base in London and do their job properly in this House. One of the worst developments over the years that I have been here has been that Members have spent too much time away from this House, which is one reason why I was so opposed to many of the changes to our hours. Thursday is now a non-day here. In the old days, it was the busiest day of the parliamentary week. I often quote Duncan Sandys. He had a London constituency but said, "I am the Member for Streatham at Westminster and not the Member for Westminster in Streatham." If one is going to be a proper Member of Parliament, looking after one's constituents and constituency when the House is not sitting, but being here to represent them when it is, one does indeed need to have a London base. It is right that there should be proper provision for it.

Mrs. May: I simply want to clarify that I did not imply, and did not intend to imply, that the vast majority of Members do not need a second home in London, but there are ways of providing for that which do not necessarily require the purchase of furniture and household goods.

Sir Patrick Cormack: And there are equally honourable and probably economically more sensible ways of doing that. That is the point. I just ask my right hon. Friend to reflect on it.

I made a promise to the Speaker that I would not be long and I want to finish where I started. We are, I trust, an honourable House. We come here to serve our constituents, not to debate our own emoluments. I hope that we will not be doing it for a very long time to come. However, I hope above all that this is the last occasion—it is the first in my experience—when issues of this nature are debated on a party basis, rather than on a cross-party House basis with a free vote at the end. I intend to exercise my disapproval of not having a free vote in the party as a whole by not voting on the Opposition motion. I trust, however, that at the end of the day, the House will come to a collective decision that will enable us to go forward, holding our heads high and getting on with the job that we really should be doing.

2.24 pm

Mr. John Spellar (Warley) (Lab): The speech of the hon. Member for South Staffordshire (Sir Patrick Cormack) gave the Opposition deputy Chief Whip palpitations, but I am sure that he will recover from them. That makes a good start to my speech, because I rise in defence of Members generally and especially those on the Opposition Back Benches who will have difficulty defending themselves in the face of this last-minute publicity stunt by their leader's office. It shows considerable disdain for them and is reminiscent of that line from a Tory grandee about Michael Heseltine when he was dismissively referred to as someone who bought his own furniture. Obviously, that disdain for those who buy their own furniture is still around in the upper echelons of the Conservative party, but not even in the Conservative party does everyone come from a family of stockbrokers and merchant bankers and, almost by definition, not all of them are able to marry into the Astor family.

The Opposition motion also seems to be a heavy smokescreen to obscure some of the internal divisions inside the Conservative party. We all know from the media that the Tory leadership is in trouble with its MEPs, not only on expenses, but also because of considerable policy differences. It may be that it is trying to create confusion, but it is our duty to clear that away and get a bit of clarity.

Contrary to the assertion by the right hon. Member for Maidenhead (Mrs. May), it is not the Tories who have brought transparency to the expenses of Tory MPs; it is *The Sun* and other newspapers. Frankly, the Tories should not be blaming the system for that; they should be blaming their own people. Perhaps they should take a leaf out of the book of the leader of their party who, only this week, I think, made a speech in which he said that we should not blame the system and society and that people should take responsibility for their own actions. Perhaps that doctrine should be applied on the Conservative side of the House at the moment.

I also welcome the fact that the Conservatives and Liberal Democrats have caught up with Labour MEPs on this issue. However, I query the hon. Member for North Southwark and Bermondsey (Simon Hughes)—I can now put the question that I wanted to ask him when he would not take my intervention—on whether the Liberal Democrat proposals will be retrospective and also include Members of this House who were previously MEPs, and whether they will be publishing their expenses for that period.

Mr. Robathan: I am not sure that the right hon. Gentleman is going to get a response to that question, so perhaps I can ask him one. Will he point me to where I can find the statement of Labour MEP expenses on the internet or wherever else? I have looked quite hard and I have not discovered that they have been published.

Mr. Spellar: I will certainly refer the hon. Gentleman to the Leader of the House, who has had discussions with the leader of the Labour MEPs. I am sure that my right hon. and learned Friend will be more than pleased to provide him with the information.

As the amendment makes clear, Labour MEPs decided some years ago to adopt open and transparent procedures. We must ask why the Tories did not do the same. There is, of course, a possibility, which we have to consider, that this is not so much about expenses, but about politics—in particular, given a list system, a desire to purge the Conservative MEPs of those who might be causing difficulties for the party—

Mr. Deputy Speaker: Order. I am loth to intervene on the right hon. Gentleman, but he should perhaps come back a bit more to the motion before the House.

Mr. Spellar: Thank you for that, Mr. Deputy Speaker. But if there are, as we know, attempts to say that those who do not fill in the expenses forms as required by the party leader on a retrospective basis might be removed from the list of prospective Members of the European Parliament standing in the next election, it is possible to query whether that is just to do with their expenses or whether it is an attempt to purge the list of MEPs who might be an obstacle to the Conservative leader's rather crazy idea of tying them up with a group of very dodgy fringe parties in Europe, which would reveal it as a rather nasty party indeed.

There is also a questionable motivation on MPs' expenses. Again, nearly all the complaints about breaching the rules relate to Tory MPs. I stress that that does not apply to the vast majority of Tory Members, who rightly claim what they are entitled to and who are being unfairly tarnished by those who behave badly. I also note the way in which the issue has been stirred up by Conservative Front Benchers in—I presume—a vain attempt to curry favour with the BBC, an organisation that is remarkably reticent about its own salaries and expenses. Who knows whether that will become more of an issue later in the year?

Lynne Jones (Birmingham, Selly Oak) (Lab): I do not know about the John Lewis list, but the last time I made an expenses claim was when I had to replace my iron and bought a new one for £15.99 from Harry Tuffins. If the media are really concerned about Members' claims, perhaps they should look at the claims of those who have been Members for many years and are still claiming the maximum allowances. When I entered the House in 1992, the mortgage on the first and only flat that I bought was £250 a month, or £3,000 a year. What about Members who are able to pay huge mortgages, some of whom refinance their mortgages by letting out their original properties, buying more expensive ones and claiming the maximum allowances? They do not even have to worry about the John Lewis list.

Mr. Spellar: My hon. Friend is right: those of us who entered the House some time ago tend to make lower claims. In fact, I note that mine are substantially lower than hers.

What is actually going on inside the Conservative party? A good rule of thumb, which applies to all parties, is that leaks normally come from one's own side. They may come from disgruntled staff, as may have been the case in some of the instances that we are discussing, or even from ambitious colleagues. In view of that, I find it slightly surprising that Conservative Front Benchers should wish to table a motion to embarrass their colleagues further, including some of their Front-Bench colleagues. Why, for example, do they want to embarrass the hon. Member for Meriden (Mrs. Spelman), whose case is being considered by a Committee of the House?

Mr. Deputy Speaker: Order. I am now in danger of having to ask the right hon. Gentleman to resume his seat. He is not talking in a way in which any Member on either side of the House would expect the debate to be conducted. I ask him to think very carefully about what I have said.

Mr. Spellar: Thank you, Mr. Deputy Speaker. Is it not slightly odd, however, that—as has already been said a number of times—what is essentially a matter of House business should be raised in Opposition time and thus become a matter of party business, especially given the considerable number of issues raised, quite legitimately, by the Leader of the Opposition at Prime Minister's Question Time?

Is it not also slightly odd that the motion should have been tabled now, given that there are very good Conservative members of both the Members Estimate Committee—including the right hon. Member for Maidenhead—and the advisory panel? The Conservative leadership will know that the Members Estimate Committee is due to meet on Monday to consider a recommendation from the panel for a tightening of the audit—involving the National Audit Committee—and a rewriting of the green book. Is this a variation of the old Liberal Democrat trick of finding out which streets are to be repaired, issuing a focus leaflet demanding that repairs be made, and claiming the credit afterwards? By definition, both those bodies will have to present their findings to the House in the autumn. What was the rush for the motion?

The final question that must be asked is "Does this matter?" It is true that the memory of a half-baked motion rather inadequately moved just before the recess will soon fade, although it will undoubtedly revive some doubts in the Opposition ranks about the judgment of the Leader of the Opposition. However, it does not do justice to Members who make reasonable claims arising from the nature of the job. Gone are the days when it was strongly demanded of a Sheffield Member that he visit his constituency at least once a year—although the requirement was waived when he became a Minister.

Our constituents rightly want to see much more of us than they used to, and to hear from us as well. That is true not only in the United Kingdom but around the world—throughout the Anglo-sphere. The hon. Member for South Staffordshire was wrong in that regard. The balance has changed: although it is right to say that we have considerable parliamentary duties, constituency representation and constituency duties are an increasingly important part of the job. That is the way things are nowadays, and we must face up to it. It means that the great majority of Members must have two residences, and, as we all know and as was pointed out by my hon. Friend the Member for Birmingham, Selly Oak (Lynne Jones), the cost has risen considerably. Indeed, the cost to new Members has probably reached the limit. We sensibly decided not to opt for an eastern-Europe-style barracks block for Members of Parliament, on grounds of cost and security quite apart from any other considerations.

Lynne Jones: I recall that, as a new Member, I was out of pocket for the first few years. Is there not a case for a higher allowance for new Members and an attenuated allowance for those who have been here longer?

Mr. Spellar: I think that that proposal should be considered. The Leader of the House spoke of a possible 10 per cent. limit, although I do not know whether the percentage would change according to the initial setting-up expenses. One of the issues that the panel is examining is the considerable up-front cost of setting up an office and a home and what can be done to help with cash

[Mr. Spellar]

flow, particularly just after an election when often people have not been paid. I hope that the panel will look favourably on the idea of giving such help. It must also be borne in mind that we have to live in our second residences for a fairly long period, and it is proper for them to be furnished.

Another aspect that we should bear in mind is the social change that has taken place in the House. Not only are there many more women here; there are many more younger Members. As I said on, I believe, 3 July, for the first time all three leaders of the main political parties have young families. The composition of the House is very different from its composition when I first came here.

As we observed earlier this year, school holidays do not always coincide with the holidays of the House. If we want families to be able to spend a reasonable amount of time together, it is appropriate for them also to have a reasonable level of accommodation—not luxurious, but sufficient to enable them to lead a family life. If we do not build that into the system, only those who have inherited or married into money, or have made some money before coming here, will become Members of Parliament. That would be bad not just for individual Members of Parliament—although it would slowly wear away their position—but for democracy. We must be able to draw on the widest possible pool, not just on those who are prepared either to make sacrifices or, even more significantly, to sacrifice their families in order to represent their constituents in the House.

We need to make that case, even at the cost of the cranky letters and e-mails that we will undoubtedly receive. It is rather a shame that, on a day quite close to the recess, Opposition Front Benchers are not acting on behalf of their own Members, which is why I hope the House will support the Government amendment.

2.38 pm

David Maclean (Penrith and The Border) (Con): I intend to speak on narrow issues. I do not wish to discuss the MEPs. I am not very concerned about what is claimed by MEPs in either party, or about what they publish; I am more concerned about what they do.

I apologise to the House for the fact that I will be chairing the Joint Committee on Statutory Instruments at 3.45, and will therefore not be here for the winding-up speeches. I am expecting a rather important statutory instrument on freedom of information, and I think the House would prefer me to be there. Indeed, the House might prefer me to be there now. Lest the media issue any challenge, I should also point out that I am a beneficiary of, in addition to the normal allowances, special help from the House's disablement fund for Members with mobility and other problems. I am leaning against one of the items that it provides at this moment.

Although I admire the right hon. Member for Warley (Mr. Spellar), I am not going to take the route that he took. I congratulate the hon. Member for Middlesbrough (Sir Stuart Bell). I agree with every single thing he said. Members might think that I would say that as I, too, was one of the MEC 3, who, thankfully, have now been released from the heavy task we were given in January of coming up with fundamental root-and-branch reforms to our allowances. I stand by everything that the three of us—along with the other members, the Leader of the House, the shadow Leader, and with Mr. Speaker as Chairman—proposed as a package. I regret nothing we proposed, and I would not rescind any of it. I do have one regret, however: the timing was wrong. We had orders to do our job on such a tight time scale that the House did not have a chance to see the detail of our proposals and to chew them over and consider them, and we probably did not have the time to reassure colleagues in all parts of the House of the content of practice assurance and what it entailed.

I therefore agree with the hon. Member for North Durham (Mr. Jones) that many of our recommendations should have appeared as a sort of Green Paper that we could have chewed over. We could then have come back in October with some final recommendations. If we had done that, I am certain the House would have accepted all the recommendations, and the amendment of the right hon. Member for Islwyn (Mr. Touhig) would not have been necessary and would not have been agreed to.

I will attempt not to make any partisan points today, but I will say that in some ways the Government are now trying to unscramble what we agreed a few weeks ago in order to create a tough, rigorous audit assurance system. We proposed that in recommendations 1 and 2, but we had not spelled out what we meant by practice assurance, and that scared a lot of colleagues, and colleagues also rightly questioned the cost. Given more time, I think we could have come up with more accurate costs, and I hope that it would have been less than £1,500 per person per day around the offices. That argument has now been lost, however, and this matter is now down to the Government and the advisory panel—I wish the right hon. Member for Warley well, as he will have a busy summer rewriting the green book, and the three of us are glad we no longer have that onerous responsibility. It is now up to the Government to make the NAO proposals work.

My main concern relates to the additional costs allowance and the so-called John Lewis list. I say to the House, with all the authority I can muster as a member of the House of Commons Commission and the MEC, that no MP had ever heard of the John Lewis list before it was forced into the public domain in court. In defence of the Department of Resources—I know it is not popular to defend it—let us ask why it invented it. I have with me a scrappy copy of the John Lewis list, which I have been carrying since January in case I was attacked or questioned on it, and it is internal guidance to the Fees Office staff. It says:

> "Staff are instructed to use the list as a guide when assessing whether purchases are allowable under the green book section 3.14.1—non-allowable expenditure: 'furnishings, including white goods or fittings which are antique, luxury or premium grade'—and...allowable expenditure. Members should avoid purchases which could be seen as extravagant or luxurious."

The purpose of the John Lewis list was not to help colleagues get better quality white goods or furniture; it was a guide to stop that happening—it was an internal guide to limit the amount. Let me give a hypothetical example. I had to replace my washing machine last year. I could have bought a top-of-the-range machine made by a company such as Bosch for £1,200—although why anyone would pay that much for a washing machine is beyond me—and then have gone to the Fees Office, and it would have said, "Terribly sorry, David, but you're charging far too much." It needed an internal guideline. I think the guideline in the list for a washing machine is about £395, which is quite low.

Mr. David Clelland (Tyne Bridge) (Lab): I am sure that the right hon. Gentleman is aware that John Lewis adopts the mantra, "Never knowingly undersold". Therefore, does it not provide a perfectly reasonable measure of Members' expenditure?

David Maclean: Yes, it is a good mantra, and that is the point. What would happen if we were to move to any other list? I know that people joke about the IKEA list; it will have some good furnishings, but it will not have any electrical goods. Others have proposed an Argos list. The point is that there will still end up being a list of some sort—perhaps a National Audit Office list.

Mr. Kevan Jones: Does the right hon. Gentleman agree that what the majority of Members want are clear rules that they can understand and then implement? Is not one of the biggest problems the old Fees Office, because inconsistent advice was given to both Members and their staff? We learned a few weeks ago that MPs were employing staff who had not lodged contracts with the Fees Office, but I and others had always been told that people could not get paid until that had been done.

David Maclean: Yes, that is true; there has been inconsistent advice, and that was one of the purposes of the practice audit teams that we wanted to set up. They would go round to help colleagues get things right. I say to Members of all parties that if we do not have that and instead have only a toughened up NAO going round, I suspect that all it will be able to do is report on our errors—our genuine errors and mistakes. When that is in the public domain, those genuine errors and mistakes will be regarded as crimes against humanity. Our internal practice assurance teams were able to go round and say, "David, you put it in the wrong column," or as the Fees Office informed me in a note two weeks ago, "You've transposed the figures 3 and 5; it should be 53 instead of 35." A tiny amount of expenditure was involved, but I had made a mistake in transcribing some figures on to my form.

When the NAO finds such mistakes, they will be reported as, "MP makes a mistake", and that will be referred to the Standards and Privileges Committee the next day. We wanted something intermediary to hold our hands and help us get things right. There are 650 Members claiming the different allowances at different times of the year in different ways. We have our interpretation and, over the years, the interpretation of the Fees Office has changed, too. A Member said that when he arrived here in 1992 he went to the Fees Office, where someone said, "Oh, why haven't you got a mortgage, old boy? You can claim for it." The rules have been tightened up only when various things were exposed as wrong, or when genuine mistakes were made, or we had reports from the Standards and Privileges Committee saying, "This was an abuse." We have been trying as a House to tighten these rules, not on a systematic basis but as problems occurred. Of course, in those circumstances, advice has sometimes been inconsistent.

Lynne Jones: However, is it not still within the rules for Members to acquire new mortgages and let out the first home they claimed for, and then claim a larger mortgage? Also, can they not at a later date transfer what was a second home into a primary home and thereby make huge capital gains on the basis of taxpayer contributions, while nothing is done about that? That represents a huge amount of profiteering. The John Lewis list and new Members having to set up their homes pales into insignificance in comparison with such abuses.

David Maclean: If the hon. Lady has evidence of such abuses, they should be recorded. Such allegations were made by external people. I think Sir Christopher Kelly was worried about that. We said point the finger at someone who has got a third home somewhere that is a holiday home and who is claiming additional costs on that. We went into the mortgage issue very carefully. Let me say with all the authority I can muster that the cheapest and best deal for the taxpayer and for Parliament is for colleagues who are elected to buy a property and have a mortgage on it and get the mortgage interest paid by this House. That is a good bargain for the taxpayer at the end of the day.

Linda Gilroy: Will the right hon. Gentleman give way?

David Maclean: I am running out of time and I do not want to be bogged down on this issue.

We looked at the costs of renting property. If a Member is in this House for a few years—let us say 10, 12 or 15—and they rent a property, the rental costs are likely to increase every single year. There is a higher cost to Parliament in paying for rented properties than in paying mortgage interest costs. We are not here to abolish rented property or mortgage interest. We looked into the matter very carefully and we thought it was perfectly legitimate to let that be claimed. However, as I have said, we came up with a package. There is, of course, a benefit to a Member if they are lucky in the housing market, but I believe that some Members who left this House in 1997 were out of pocket, as property prices go down as well as up—as we are also discovering at present. However, there can be a benefit to a Member in owning their own property; there is the comfort and reassurance of ownership. In those circumstances, we thought we should not allow the additional benefit of £1,600 per year on average, which is the amount claimed on white goods in the so-called John Lewis list.

I take on board the point that there is a higher start-up cost for new Members. What would happen if we were to go down the route proposed in the Government amendment? I am not totally opposed to it, although I will, of course, support the Conservative Chief Whip as I like the part in his motion about white goods. If that is lost, I wish the Government well in the procedures that are adopted. I say to them that if the National Audit Office is to be given this task, it will have to invent a list of the reasonable reimbursement costs for furniture and other household goods. The cap might be at 10 per cent., but our studies suggest that that is too high for continuing Members—we do not need £2,400 per annum to replace the essential items in our property—and too low for starting Members. I leave that as a problem for the NAO and the panel chaired by the right hon. Member for Warley to sort out.

[David Maclean]

The other point that needs to be made robustly is that the overall amount of the ACA is about right. Before anyone in the media or elsewhere starts whingeing about it, the Senior Salaries Review Body examined it and concluded that about £24,000 was the essential sum necessary to maintain another residence in London. I hope that the Committee will examine this nonsense of having one property described as the main home and the other as the second home. It will probably have to do so to sort out the amendment tabled by the hon. Member for Bassetlaw (John Mann), which is probably utterly unenforceable—that is a problem for others to sort out.

When I entered Parliament as a new Member, my home in the constituency was my main home and my little London flat was my second home. When I became a Minister, things were automatically transferred without my having any say; I was told that my home in the constituency had become my second home and that London was deemed to be my main residence. When I subsequently entered Opposition in 1997, it all changed back, and it changed again when I was made Opposition Chief Whip. This is nonsense, and I believe that my hon. Friend the Member for New Forest, East (Dr. Lewis) is working on a paper, which he will submit to the panel chaired by the right hon. Member for Warley, on how we designate our properties.

Three or four years ago, when I was Opposition Chief Whip, I calculated that in one year I had spent exactly 170 days here in Westminster, 170 in the constituency and 25 on holiday. In such circumstances, MPs do not have a main home and a second home; as Members of Parliament, we are required to have a firm base in London. We are not travelling salesmen, who can live in a different hotel room—a different Travelodge—each week, so we need that firm base. If we have bought a property, it needs to be furnished, and if we are to furnish our property and to keep some form of list, we must make a robust defence of the arrangements. I robustly defend the right of Members who are buying a property to furnish it and to have the proper kit so that they are not sleeping on the floor or on cardboard boxes.

One may ask why I recommended the abolition of the John Lewis list. We thought that, taken in the round, robustly keeping mortgages and defending the per diem rate of £30 and the £4,200 of the ACA was a package of measures that fairly compensated colleagues for the costs that they had incurred in maintaining a base in London. I will support the list's abolition, but if it is not to be abolished, I wish the Government, the right hon. Member for Warley and the NAO success in coming up with a definition of reasonable property and the reasonable kit to have that will persuade our friends and others in the media that we do not have our noses in the trough. We do not have our noses in the trough, but we must ensure that we defend our arrangements properly in future.

2.53 pm

John Mann (Bassetlaw) (Lab): I thank all hon. Members for the unanimous support for my amendment that was successfully passed over a week ago. One or two hon. Members seem to be a little confused about what they, quite rightly, passed, but one of its consequences relates to property accumulation—this answers one of the points raised by my hon. Friend the Member for Birmingham, Selly Oak (Lynne Jones). One used to be able to claim the maximum allowances and, over time, build up a larger and larger property while claiming the allowances, but that is no longer possible. For that reason alone, a sensible decision was made, and I congratulate the House on its wisdom. I trust that none of the three Front-Bench teams will seek at any stage to unravel and backtrack on the House's wise decision on that point.

It is important to break down the three separate elements that confuse this debate, not only in the public's eye but here. The first issue is malpractice. Although it is rare I have occasionally commented on it, and when I have done so, I have suggested that where there appears to have been malpractice, the person involved should repay the money to the taxpayer. That seems to me to be a sensible approach, although nobody has yet followed my suggestion. That is their choice, although it may not be a wise one.

Greg Mulholland *rose—*

John Mann: I shall give way in a minute. The second issue, which, of those I have raised in the past year, is the one that I have majored on, is party political advantage. I shall cite the simplest example—the use of the dining facilities for party political advantage. Thanks to the Committee on Standards and Privileges, and to my delight, that is now debarred. It is no longer possible, as the annual report of the Sevenoaks Conservative Association, in respect of which a registration has just been made with the Electoral Commission, makes clear. It states that the patrons' club has been terminated, saying:

> "The termination of the facility for dinners at Westminster removed the main attraction for members".

That is highly appropriate; Parliament has moved on and has stopped the misusing of the facilities for party political advantage. It is important that we continue this approach. I have made a number of other challenges in relation to potential party political advantage, and I will continue to do so where there appears to be any such misuse of the remit of political office

The third issue, which I particularly wish to discuss this afternoon, relates to the systems. This may come as a surprise to some on the Opposition Benches, but I have refused on a recurrent basis over recent months to comment on the so-called irregularities, usually of Opposition MPs, when I have been asked to do so, usually by the media. In these cases, what the individual has done, in essence, is to apply Parliament's systems. I shall cite no cases, because it would, by definition, be invidious for me to do so. but the issue is not the action of the individual, who has acted within the system—the issue is whether the system is right. That is where there remains a lack of realism not only within this House, but within the parties in the House.

The systems are poor, they are not transparent and they leave each and every one of us, myself included, open to attacks by our constituents, by the media, by mischievous opponents and so on, precisely because they do not have the robustness or the transparency that they require. I have tried to comprehend what the

Government are putting forward today, and I hope that they are not in any way backtracking from the crucial principle that the ~~general public~~ have a right to know what we do, what we spend and how we spend it. If they wish to criticise me for anything that I have done in terms of my expenditure, they are free to do so and I will defend myself robustly. I may have a different view from theirs on what is and is not appropriate, but as their elected representative, I do not have a right to hide this information away.

Strangely, in the years for which I have put this information on my website, nobody seems to have been particularly bothered about it. However, people are bothered about their right to know and about the rights of journalists to investigate. I hear many criticisms of journalists and the media in this debate, but I would go in the other direction: we could do with more investigative journalism in our newspapers, because it is a skill that seems to have died a death in this country. Parliament must have systems that are sufficiently robust and defendable, and absolutely transparent, so that we can feel comfortable.

Our situations will vary. Frankly, I do not care whether people buy a property or not. That is a risk that they take, but they should be open about it. Situations will vary, depending on rental agreements. I read the official Opposition's proposals with some amusement. In essence, if as a renting MP one had an unfurnished flat but now cannot get one, one has to go back to the same landlord or landlady and say, "Well, I'll have to have a furnished flat." The rent will go up in order to provide that furnished flat, so the taxpayer will not necessarily get increased value for money. The different arrangements, which are obscure, mean that some things are more than average and others are less than average. Because I rent a room rather than a flat, for six years I did not have cooking facilities as part of the rental agreement. That meant that the rent was lower, but the situation was different.

The issue is that the information is out there. If hon. Members want to look at my website—I recommend it—they will see that all that information is there among the campaigning issues. I am sure that it has been scoured through by Opposition researchers over the months—

Daniel Kawczynski: They have better things to do.

John Mann: The hon. Gentleman says that they have better things to do, but there is the issue of party political advantage. One shameful thing during this episode has been the attempts by Conservative central office, when someone has had the effrontery to suggest that certain MPs should repay money, to give false briefings to the press to suggest things that are not there. That has been tried in my case over the past three months on three occasions. None of those attempts has got anywhere, because the information is false. The first was so farcical that the individual concerned had to apologise. I was also able to point out that he was in criminal breach of the Electoral Commission regulations when it came to his own visits, and I discreetly and politely corrected him on that.

Daniel Kawczynski: What has that got to do with the motion?

John Mann: It is absolutely to do with the Conservative Front-Bench motion.

Let me complete what I was saying. The second attempt happened when the great mystery of an unknown donation was revealed to the press. The donation was from a Mr. and Mrs. J. Mann MP to the Bassetlaw constituency, and I was therefore not required to register it as a gift to me. The third attempt was the most disgraceful, and came from the miners' compensation scandal. I have a specific request for those on the Opposition Front Bench. The papers that they have attempted to circulate to the media should be handed over—one decent and honourable Opposition Member has already done so—to the Serious Fraud Office, as the matter is related to an ongoing investigation into miners' compensation.

The fact that certain people in Conservative central office have chosen to try to circulate such things to the media and have tried to suggest a major scandal with faked documents put out by one of the parties who are being investigated by the Serious Fraud Office is somewhat out of order. I politely request that those documents should be provided to the Serious Fraud Office. I will be happy to provide the Opposition Whips, or the Opposition Chief Whip, who is not in his seat, with the details of where to send those papers. I know that they are in their possession, because one hon. Member has chosen to give me said papers, which were given to him.

Lynne Jones: Does my hon. Friend agree that it is better for Members to be required to submit receipts for genuine purchases than to be able to claim £30 a day for which no receipts are required? As for investigative journalism, would it not be better for the media to investigate Members who have been here for many years and are still claiming the maximum because they have remortgaged their properties?

John Mann: All Members, old and new, are equally vulnerable under the existing systems. There is a premise in the debate with which I disagree, although I am sure that I am in a rather small minority in doing so—possibly a minority of one. The basic tenet of the debate, when it is discussed in private, is that MPs are not paid enough. People say to me, "The allowances are your pension, and so on. That's why we have those things." That has been said to me on countless occasions. If people feel that MPs are not paid enough, the way to deal with that is to propose that MPs should be paid a lot more. I would disagree. I think that MPs are reasonably and fairly paid, and the comparators used in other debates are rather spurious. Comparisons in my constituency would put me in a rather privileged position, so I do not feel a great need to change the situation. However, if the whole expenses system is meant in some way to compensate for a perceived underpayment, MPs should be prepared to say, "Pay us more, and we'll spend the money on whatever we want, but we'll deal with the taxman just as everyone else does." That would be a way of getting the general public off our back, because they are rightly on it at the moment.

Judy Mallaber: Will my hon. Friend rest assured that a number of MPs feel that we are perfectly well paid? On a day when low-paid workers who are paid £12,000, £13,000 or £14,000 are taking action, it is time to put it on the record that we are very well paid indeed.

John Mann: I agree with my hon. Friend. I am concerned about the approaches of the different Front Benchers, who are all attempting to gain party political advantage with the resolutions that they have tabled. That is inappropriate today. The original motion should not have been proposed. It would directly benefit those who claim the maximum, who have bought property and who are paying their mortgage interest on it. We should be open and honest about the fact that that is what the motion does. That is one way in which people can claim expenses, but it is not the only way. It is not the only system. It might not be the best and most affordable system, but that honesty is needed. Three of those in whose name the motion is tabled, including the hon. Member for North-West Cambridgeshire (Mr. Vara), who is on the Front Bench at the moment, would appear from the Register of Members' Interests to have a multitude of properties.

I would not challenge the right of people with a multitude of properties to be able to claim whatever allowances for housing are available, along with everyone else, but I am damned sure that a number of my constituents would feel that that was inappropriate. That is the danger of phrasing such a resolution in such a way. We need a little breathing space so that we can get some effective systems in place that mean that everything is out in the open. They should be clear, easy and not over-generous. If we do that, the faith of the public in what we are doing will increase and they will concentrate far more on the political differences rather than on the perception of the increased wealth that we gain from being here.

Several hon. Members *rose—*

Madam Deputy Speaker (Sylvia Heal): Order. Mr. Speaker has imposed a 12-minute limit, but, in view of the number of Members who still hope to catch my eye, it might be helpful if Members considered reducing their comments even further.

3.7 pm

Mr. Peter Atkinson (Hexham) (Con): I shall try to be far briefer than 12 minutes.

It is interesting to follow the hon. Member for Bassetlaw (John Mann). The only point on which I agreed with him was his last point. I totally disagree that today's debate is somehow improper; in that, I expect that I disagree with some of my Opposition colleagues. It is perfectly right that we should use an Opposition day to highlight the matter and to show the public that we take the debacle that happened on 3 July seriously, and that we want to do something about it before we go away for the recess.

I get slightly tired of the idea—people get rather pompous and high-minded about this—that our expenses are a matter for the House and should not be a political matter. Of course they are political. Anything we do in the House is political, and trying to pretend that there are somehow two levels of debate is a complete waste of time. If what I read in the newspapers is true, on 3 July, which was a free-vote day for us and was meant to be a non-political day, there was an attempt to make some sort of tawdry deal in that Labour Back Benchers would back the payroll and vote against increased pay on the basis that the John Lewis list would survive. If that is true—I can only report what I read, and these things are rather difficult to prove—that shows how much the politics interfere with such debates.

Lynne Jones: Is there not every difference between doing something, and doing what is right? I recommend International Stock of Kings Heath as a very cheap source of electrical appliances, but I cannot see that it is better to replace the so-called John Lewis list with a £30-a-day allowance for which no receipts are required. Doing something is not the same as doing what is right.

Mr. Atkinson: I agree, in the sense that I did not agree with the £30 daily allowance. That is why I did not vote for it. However, I did not vote against it, and to some extent I regret that, as it might have moved the debate on had I done so.

The motion has one great advantage—its clarity. It proposes a clear way forward and so gives us a very good basis for debate. I may not have understood everything that the hon. Member for Bassetlaw said—he lost me during part of his speech, as I am not up to date with his justifiable campaign on the miners' compensation scheme—but I was concerned that he was trying to close loopholes. The difficulty with all allowances is that they do not take account of the fact that everyone's different circumstances require them to live in slightly different ways.

Consequently, the motion is right because it is simple and gives a sense of transparency. The electorate can judge whether individual Members of Parliament are behaving properly only if they can see what we claim and then form their own judgment. It is impossible to write a rule book that covers all eventualities and all the circumstances that MPs face.

I want to make another point. Some colleagues on this side of the House as well as on the other may disagree with me, but I believe that we have an ostrich-like view of what is going on here. This issue has caused me more embarrassment and my constituents more annoyance than anything has during the many years for which I have been in the House. The public feel very strongly about this matter, especially when they read about the John Lewis list.

I understand exactly the basis of the John Lewis list, and my right hon. Friend the Member for Penrith and The Border (David Maclean) was right to say that it has been a useful guide. However, it has become a sort of totem that has registered with the public. People think that we are all buying £2,000 German washing machines when our washing machines break down.

These matters are important, and we did need to deal with them today. I accept what the Leader of the House said earlier—that the document that came out today was simply a coincidence, and that the work had been in progress before. That is good. I hope that we do not lose the vote on our motion today, but I suspect that we will. However, even if we do lose the vote, at least the Government will be able to move on in a positive way to resolve the issue. I think that it needs to be resolved as a matter of considerable urgency.

I shall end with a few brief remarks about pay and allowances in this House. This is a question that we tend to duck. It is all right to say that public sector workers are out on strike, but we need a level of pay in this

House that will encourage ordinary men and women who carry the normal burdens of life to become Members of Parliament. We cannot have only wealthy people here. The right hon. Member for Warley (Mr. Spellar) is a rather nice, old-fashioned class warrior whom I quite like, but it was nonsense for him to suggest that all Conservative Members are rich and all Labour Members poor. I seem to remember that new Labour was founded by an awful lot of wealthy millionaire socialists.

Mr. Spellar: I think that the hon. Gentleman slightly misunderstood me. I said that many people are in exactly the same position as the one that he has described on the Conservative Benches—that is, that Back-Bench Members are being let down by their Front-Bench Members, who treat them with considerable disdain and do not recognise that proper expenses have to be provided. I knew that Conservative Members would find it difficult to speak on their own behalf, so I sought to do it for them.

Mr. Atkinson: I do not think that the right hon. Gentleman needs to speak on behalf of Opposition Members, but we should lay the myth that all Labour Members are as poor as church mice. They clearly are not.

My real point is that we need to have proper pay and allowances in this House. We have consistently asked independent people to look at our pay and allowances. When they come forward with recommendations, we are told by Cabinet Ministers—who, of course, get a bit more money than the ordinary Back Bencher—that we should forgo any increase because we would otherwise be setting a bad example.

I voted for the compromise proposal that we should instigate the Baker review, but at a delayed date. That was the right thing to do, but in case anyone thinks that I voted out of self-interest, I should add that I shall not be in the next Parliament, and so will not benefit in any way. However, we need to address this problem.

As was mentioned earlier, when I first arrived in the House new Members were given easy advice by the Fees Office, as it was then known. We were told that it didn't really matter how we spent the money, although the allowances were of course much smaller in those days. When I first arrived, new Members were asked to divide the entire annual allowance into 12 portions and to put in a claim every month. That arrangement suited both the Fees Office and us, and there was no problem. Most of the money went on rent, council tax or utility bills, and it did not allow anyone to rush out and buy expensive German washing machines.

The problem arose in 2001, when we voted to increase our allowances from about £13,000 to just under £20,000. That changed the name of the game. In retrospect, we should have re-examined the circumstances of the allowance, because the decision opened up the opportunity for vastly more discretionary payments. In some way, that was the downfall of the allowance.

I hope that the Opposition motion will be carried today. As I said earlier, it has the advantage of simplicity. The danger is that we do not realise how far behind the pace of public opinion we are on this issue. If we are not seen to be doing something about it urgently, many of us will have a fairly uncomfortable summer recess.

3.16 pm

Mr. Kevan Jones (North Durham) (Lab): May I say how pleased I am to follow the hon. Member for Hexham (Mr. Atkinson)? I agree with him that this is a political issue. I do not agree with the hon. Member for South Staffordshire (Sir Patrick Cormack), who said in a rather pompous way that these things are somehow above party politics. The motion before us, tabled on behalf of the Conservative party, is very party political. I must say that I give the Opposition 10 out of 10 for front, as I do not think the Conservative party has any moral authority to lecture people about probity in public life.

What the right hon. Member for Witney (Mr. Cameron) is trying to do is quite clear: he is trying to throw enough smoke in the air to capture the mood of public dislike for politicians because he thinks that that will get him some party political advantage. However, I remind the House that the real rotten problem lies with the Conservative party. I admit I am talking about a minority in that party, but I should like to remind the House of some of the recent scandals.

We all know about the hon. Member for Old Bexley and Sidcup (Derek Conway). We also know—my hon. Friend the Member for Bassetlaw (John Mann) mentioned it—about the widespread abuse by Conservative Members of this House's dining facilities for raising party funds. In 2006, the right hon. Member for Witney was himself criticised for using his parliamentary office for party fundraising. There was also the report a few weeks ago about the hon. Members for Congleton (Ann Winterton) and for Macclesfield (Sir Nicholas Winterton).

In addition, my hon. Friend the hon. Member for Bassetlaw and I have highlighted the web of untransparent systems set up to hide who was funding those on the Conservative Front Bench. Without that complaint and the report from the Standards and Privileges Committee, we would still not know where those funds came from.

People may ask whether these problems are new in this Parliament, but they are not. We all remember the honourable—although perhaps he was not so honourable—Jonathan Sayeed, who charged people for tours of this place. In the end, he was asked to pay back £16,000 improperly—

Madam Deputy Speaker: Order. I think the hon. Member has made his point. Perhaps he will now address his remarks to the motion.

Mr. Kevan Jones: I will, and I shall now refer to the changes to the additional costs allowance. They were introduced because the former Conservative Member Michael Trend was abusing the system by claiming an allowance when he did not have a second home.

Such examples are relevant, because press reports give the impression that we can still do that, and the changes referred to by the right hon. Member for Penrith and The Border (David Maclean) were brought in as a direct result of what happened.

What have all the people I mentioned got in common? They are all Conservatives. The Conservative party cannot lecture others, and not try to sort out its own house. We should also consider the scandals exposed recently in Europe; we are talking not about small amounts of money but about half or three quarters of a million pounds claimed by the MEPs in question.

[Mr. Kevan Jones]

As has already been explained, the Conservative party is trying to claim the moral high ground by saying it will bring about openness and transparency through the publication of MEPs' expenses. My party has been doing that for the past eight years. When the shadow Leader of the House's party publishes those expenses, I challenge her to ensure that the figures go back eight years; it would be interesting to see what Conservative Members have been up to over that period.

Most right hon. and hon. Members want a clear system for expenses. They want what they have claimed to be well understood. As my hon. Friend the Member for Bassetlaw said, it would then be down to the public to judge Members on what they have claimed and how they have used their expenses. This is not a criticism of any individual or set of individuals; the problem is that the system has grown up over time, and that has led to a lot of inconsistencies. I am not criticising individuals in the Fees Office, but different advice is given. Sometimes, the office is given some very difficult jobs to do.

At the end of the day, we have to recognise that if Members need a second home, they need an allowance to cover that. That should not be a generous allowance; it should be an allowance to cover the cost. Most hon. Members would be quite happy to have the amount that they spend published, but they also want to make sure that they understand the rules, so that they cannot inadvertently fall foul of them.

Much has been said about the Members Estimate Committee report. I voted against what it said, and I shall make it clear why I did so. I make no criticism of the individuals involved; they had a very difficult job to do, and with hindsight, if they had published a Green Paper and put in place a consultation, I think we could have come to an agreement and put forward a suggestion. Now that the report has been voted down, it has a sainted, Ark-of-the-Covenant feel to it, but the idea that it would solve all the problems is absolute nonsense. I do not accept that giving me, or any other Member of Parliament, £4,200 a year without any receipts is more transparent than keeping the system as it is, or having more rigorous auditing and publishing the results of that audit.

I am sorry, but I do not think that the hon. Member for North Southwark and Bermondsey (Simon Hughes) has read the report in detail; if he has, he has certainly not understood it. I am all for the idea of assurance, and people going into offices to give advice, but the idea that he put forward today, with which I agree, is that the public money that Members spend should be rigorously audited. I have no problem with that; if those audit reports are made public, fine. That would give the public the assurance that they want. If there were clear rules laid down, Members could be assured that what they were claiming was correct.

It is all very well for people to say that there is widespread abuse, as the shadow Leader of the House did earlier. I hear that all the time. I heard the hon. Member for Cities of London and Westminster (Mr. Field) accuse Labour MPs of doing various things. I am sorry, but as the right hon. Member for Penrith and The Border said, if people are abusing the system, they need to be reported, and the system should deal with them. We cannot allow the current situation to continue. I shall break the habit of a lifetime and agree with the hon. Member for North Southwark and Bermondsey on one point: what we did a few weeks ago left us in limbo, and we could not leave things as they are.

The proposals that have been put forward are correct. Rigorous audit has to be put in place, and the rules for Members of Parliament have to be clear. People who try to make a party political point of the issue, as the Conservative Front Benchers are trying to do today—

Miss Widdecombe: What about the first part of your speech?

Mr. Jones: I was happy to say what I did, because I was responding to the cynicism shown by Conservative Front Benchers, who have used the debate for party political advantage. Like other Labour Members, I should like to keep reminding the public about where the rotten apples in this House have been in the past few years. If we have a clear system, and a clear audit process, and information is published, which is what people rightly want, we could get some credibility back.

We cannot get into a situation in which hon. Members are told that there are no allowances for second homes, because the result would be that the only people who could afford to come to the House would be those with independent wealth. I am not making a party political point; I refer to what the hon. Member for St. Albans (Anne Main) said in the *St. Albans & Harpenden Review*, of which I am an avid reader. She summed up the issue quite well:

> "But unless this system is radically overhauled we run the risk that MPs will need to be independently wealthy, or part time successful business people who can 'afford' to part fund their political career by paying for accommodation in London and or accommodation in the constituencies they represent."

I agree totally with that. If we do not have a proper system, MPs will be self-selecting. The only people who would get to the Commons would be those who could afford to, and that would be wrong.

3.25 pm

Miss Ann Widdecombe (Maidstone and The Weald) (Con): First, may I apologise for the fact that I was not present for the speech of the Leader of the House, which followed that of my right hon. Friend the Member for Maidenhead (Mrs. May)? May I also associate myself with the remarks made by several long-serving Members of the House and say I regret very much that the subject should have been raised in a political context? We had a debate on this subject, and Members on both sides of the House had free votes on it, not long ago. It has always been a matter of House business, rather than party business. Both Front Benches remind me of those Governments who hold referendums, and when their citizens give them an answer they do not like, hold them again. We should have faced the fact that the House made clear its view on the so-called John Lewis list, and we should have found ways of making it transparent, rather than trying to abolish it altogether.

The contributions made by Members on both sides of the House today have been largely conditioned by the mischievous and malicious onslaught of the media and the public prints, not just over the past few weeks but over the past few months. Our response to that should not be to crawl on our bellies, but robustly to defend what is right. Yes, it is right that we should have better reporting and more transparency, but it is not right that we should make it impossible for hon. Members to carry out their duties.

The answer that my right hon. Friend the Member for Maidenhead made to my intervention threw up a very interesting question, according to my interpretation of it, at any rate. Her response seemed to suggest that if one is wealthy enough to equip and furnish a second home, one should be able to buy that second home with the aid of state allowances, but if one is not wealthy enough to do that, one must take a furnished, rented place, and therefore get no advantage. It is a rather strange proposition that there should be two tiers of Members in this House, according to whether they can equip and furnish their own home. We should rather be firm, and say that Members do require a second home. As the right hon. Member for Warley (Mr. Spellar) amusingly said, we do not go to our constituencies only once a year now. Unless our constituencies are in London, it is still very difficult, on Monday and Tuesday nights, to get home, even for those whose constituency is in the home counties, as mine is. It is therefore quite right that we should have a second home.

When I first came to the House, the allowances were somewhat less generous. In my first year of owning a second home—my constituency cottage—I had a box in which I kept my hairdryer, kettle, toaster and sundry other things. That box went in the car and it went between my homes. I could not put a fridge or an oven in the box, or a bed, let alone several beds for a family. I happen not to have had a family, so at least I did not have to face that problem. It is ludicrous to suggest that most people who come to the House, having had an ordinary professional salary or less, can afford to equip and furnish a second home from scratch.

I do not speak from self-interest because I never did purchase a washing machine on the allowances.

Mr. Kevan Jones: You did not need to.

Miss Widdecombe: That is right; I did not need to. That was because I had a very good friend who was not then in the House, but who is now my hon. Friend the Member for New Forest, East (Dr. Lewis), and he had a spare washing machine, which we put in an estate car and took to my cottage. It lasted for the whole 18 years that I had that cottage, and every year thereafter, in recognition of that benefit, I bought my hon. Friend dinner, and I did not charge the dinner to the allowances. So I never had to buy a washing machine.

That may be a frivolous story, but it is ludicrous to suppose that a Member of Parliament with three or four children can somehow wash and rinse all the washing by hand and run it through a mangle. Such a person needs a washing machine. It is not a luxury. I never had a television. I do not like television, so I never had one in my second home, and I never asked the state to provide one for me. I went 18 years televisionless in my second home, but I can just imagine the response of a Member's teenage children if he said, "By the way, throughout the summer there won't be any television." Therefore, it really does make sense to allow people to get everyday items that one would expect to find in a reasonable home, and if one can do that, someone somewhere has to decide whether an item is reasonable or whether the state and taxpayer have been taken for a ride. That was how the John Lewis list came into being. Anyone would think it was a wedding list.

Moreover, the press do not publish the rules. The rules say that one cannot whistle up a £10,000 kitchen from John Lewis, or a £5,000 bathroom. If a kitchen or bathroom is replaced, the rules say very clearly that those costs must be divided between genuine replacement and betterment, and the betterment element must be paid for by the Member. But out there, egged on by the press and by the silly, crawling, gutless response of the House, everybody believes that these things can be whistled up with no rules, restraints or accountability. We should have had the guts to defend ourselves, just as we should have the guts to do so when the press talk about our lavish perks and include our secretaries. There have been some hon. Members for whom their secretary has been a perk, but precious few of them. Such is the view out there that Adam Boulton, who is supposed to be politically wise, actually stated on his programme as though it were a matter of fact that our secretarial allowances are paid directly into our bank accounts. That comes from an experienced political commentator—

Chris Bryant: Who is paid thousands for his suits.

Miss Widdecombe: Who I expect is paid thousands for his suits, although I am not sure. But whether he is paid thousands for his suits or not, he wanted to portray the worst possible picture, and it is false. I, like most hon. Members, do not benefit from one penny of my secretary's or researcher's salaries, or from one penny of what goes on computers, stationery and postage. We do not benefit, and to have that portrayed as a perk is ridiculous.

If there is one thing that we should have done it is to abolish the word "allowance" and to substitute the word "reimbursement", and to have that which is centrally provided not counted as our personal allowances.

Lynne Jones: The right hon. Lady is absolutely right to say that Members do not benefit from the salaries received by their staff; indeed, many of us have at some time in our political careers actually contributed to those salaries when the allowance was inadequate to provide the staff necessary to fulfil our duties.

Miss Widdecombe: The hon. Lady is absolutely right. I spent the first seven or eight years of my time in the House subsidising a range of allowances. She is absolutely right and we should point that out.

We are always told that we have gold-plated pensions, but the average pension in payment to former Members is £8,000. Those of us who have managed to clock up the whole sum, as I will have done when I leave, have done so by bringing in pension contributions from former schemes. I came in from the public sector, but many hon. Members have come in from the private sector, so the taxpayer has not been responsible for those contributions. We should have the guts to stand up for ourselves, to make these things clear, not simply to say, "Because you are being misled into believing this is a gravy train, we will give up things that are necessary and essential."

[Miss Widdecombe]

Finally, there is the issue of our pay. There is another solution to all this, which is that we are paid so much that we do not need the allowances. If such a major change is ever made, the time to make it is before an election when those voting for it will by and large not benefit. But we never dare to do it before an election because that is the very moment when we go out there and account for ourselves and we feel that we might be unpopular.

We should stop crawling before this press onslaught. Yes, there have been abuses. Do we blame all general practitioners for Harold Shipman? Do we say that because a handful of teachers have been convicted of paedophilia, all teachers are bad, and that because more than a handful of accountants are crooks, all accountants are bad? As for lawyers, I will not even go there. The answer is no. Therefore, although there have been and always will be some people in Parliament who are not as straight as they should be, we should not allow ourselves to be tarred by that.

We deserve to be paid properly, we deserve to be reimbursed for reasonable expenses incurred, and we deserve to be allowed to do our jobs properly. If we do not do that, one of two types of people will come into the House: those who can afford not to be recompensed and those whose pay is so low that to them it all looks like something very grand. The vast ranks in between—the professionals, those who are paid a reasonable but not excessive amount—will not come to this place, and the press and the media at the moment are doing their level best to ensure that Parliaments of the future will be composed of people of substantially lower quality than Parliaments of the past.

3.38 pm

Mr. Shailesh Vara (North-West Cambridgeshire) (Con): What a performance to have to follow!

This is an important and necessary debate, particularly in the context of the vote of 3 July. I appreciate the strength of feeling that has been expressed on both sides of the House, and the fact that there was passion on both sides of the argument clearly demonstrates the need to have this debate again. It is regrettable that the debate has regularly turned into a partisan affair. *[Interruption.]* This issue affects and impacts on every single Member of Parliament, and for Labour Members to make it a partisan issue is a discredit to them and the House.

Rob Marris: Will the hon. Gentleman give way?

Mr. Vara: I should like to make some progress. *[Interruption.]* I shall be more than happy to give way later, but I am under a time constraint and I should like to make progress.

I wish to make it absolutely clear that this issue is seen by the public outside as a House issue that affects all Members. That Members here have used it as an opportunity for cheap political point scoring demeans us all. We all entered Parliament to serve our constituents and our country, and, to the limited extent that we can, to make the world a better place. Unless we properly resolve this issue, it will continue to recur over and over again. That is why it is important to deal with it thoroughly.

Rob Marris: I am grateful to the hon. Gentleman for giving way. He is absolutely right that, in a sense, this is an individual issue for all of us. The flavour of what the right hon. Member for Maidenhead (Mrs. May) said was that she thought—and the Opposition motion tends to suggest this—that hon. Members should rent furnished accommodation. Does the hon. Gentleman think that I could rent furnished accommodation within 10 minutes of Parliament for £650 a month? That is what my outlays are now, including utilities and so on. Secondly, as an individual, does he claim his additional costs allowance for rented furnished accommodation? As he says, this is an individual matter.

Mr. Vara: What I do will be published later today. *[Interruption.]* I am mindful of the time constraint and the fact that—*[Interruption.]*

Madam Deputy Speaker: Order. Let the hon. Gentleman be heard.

Mr. Vara: The fact that the hon. Gentleman, along with the rest of the nation, will be able to see how I spend my money speaks for itself. I am not going to waste the House's time.

Mr. Kevan Jones: Will the hon. Gentleman give way?

Mr. Vara: I will not; the hon. Gentleman has spoken.

What is required in the House is leadership. We had the opportunity for leadership to be exercised by the Prime Minister on 3 July. His response was not to turn up to vote. When my right hon. Friend the Leader of the Opposition asked him earlier why he did not vote then, the Prime Minister ducked the issue. When asked by a journalist why he did not vote, he said that he had been in a meeting. Let me make one thing absolutely clear: the Prime Minister should be aware that he has a suite of offices just behind the Speaker's Chair, and he would be well advised to have his meeting there when there are important debates, so that when there is a vote he can miss the meeting for a couple of minutes, vote, and then continue with it.

Emily Thornberry (Islington, South and Finsbury) (Lab): On the matter of ducking the issue, will the hon. Gentleman inform the House about how much money he gets for his directorship of Saffron Ridge Ltd?

Madam Deputy Speaker: Order. That is not in order.

Mr. Vara: The hon. Lady proves my point that this is an issue of the House, and she demeans herself more than anyone else.

In the absence of leadership from the Government, it is right that there should be leadership on the Conservative side: later today, we will publish the right-to-know form in respect of all our Front Benchers.

Lynne Jones: Will the hon. Gentleman give way?

Mr. Vara: I will not, because I am under a time constraint. Frankly, the public deserve better than the partisan contributions from the Labour side.

The right-to-know form will itemise expenditure, and I hope that the Government will follow suit. As parliamentarians, we speak of transparency, openness and accountability from individuals, organisations and corporate Britain; it is only right and proper that we should apply those same rules to ourselves. That is why there should be greater auditing of our allowances and why we should be subject to the levels of scrutiny that we expect for people outside.

When family members are employed, it is right and proper that, in the interests of openness, we should say who they are and give a broad indication of the salary band into which they fall.

On the subject of staff costs, let us clarify an issue that has been mentioned during the course of the debate. The general public believe that the words "expenses" and "allowances" refer to money that goes into our pockets and that it is money in addition to our salaries. It is therefore right that we should make it clear that up to £100,000 of that money goes towards our staff to help us to do our jobs properly. It would be absurd if somebody were to say to a headmaster that the salaries of his teachers were to be classed as his expenses, or if a manager or director were told that the salaries of all the people working under him were to be classed as his expenses, so it is absurd that the salaries of our staff should be classed as expenses. We need to clarify that in the mind's eye of the public. *[Interruption.]* A lot of chuntering about directorships is going on from sedentary positions. May I remind Labour Members that there are a lot of directorships on their side of the House as well? Perhaps they might look at the entries of a lot of their former Ministers in the Register of Members' Interests.

Madam Deputy Speaker: Order. The hon. Gentleman must continue by winding up the debate that has taken place.

Mr. Vara: The hon. Member for North Southwark and Bermondsey (Simon Hughes) made a typical contribution in which he was critical of the 21 Conservative Members who voted for the amendment that was carried on 3 July. However, had 28 of his Liberal Democrat colleagues, including his leader, bothered to turn up and vote, the amendment would not have been carried. Believe me, one does not have to be a rocket scientist to work out that 28 is a hell of lot more than 21.

The hon. Member for Middlesbrough (Sir Stuart Bell) spoke with considerable thought and reason; and I compliment him on everything that he said. He is right that this matter needs to be resolved before the next general election, because the public expect it and it impacts on all of us. My hon. Friend the Member for South Staffordshire (Sir Patrick Cormack) spoke with typical eloquence and set out his position thoroughly. It is a position with which I disagree, but he certainly put it on the record.

I regret that the right hon. Member for Warley (Mr. Spellar) and the hon. Member for North Durham (Mr. Jones) chose to make extraordinarily partisan speeches, to the point where the Deputy Speaker had to reprimand them and remind them of the wording of the motion. The hon. Member for North Durham said that we should look only at the rotten apples of recent years. Let me remind him that in recent years two Labour Prime Ministers have had the police knocking on their doors as regards money and financial irregularities. Let us remember—*[Interruption.]*

Madam Deputy Speaker: Order. The House must come to order.

Mr. Vara: I reiterate that this is a House issue that concerns all Members, and it must be treated as such.

Stephen Pound (Ealing, North) (Lab): Is it being whipped?

Mr. Vara: Perhaps the hon. Gentleman should ask his own Chief Whip about that. We will deal with our matters as we wish; the hon. Gentleman should deal with his own matters.

Time is pressing. All that I would say—*[Interruption.]*

Madam Deputy Speaker: Order. Let the hon. Gentleman continue.

Mr. Vara: This matter needs to be resolved, and I very much hope that positive action will be taken today to ensure that we move forward. As my hon. Friend the Member for Hexham (Mr. Atkinson) said, we cannot be ostrich-like about it. Unless it is dealt with, we will all be treated with derision by the public, and rightly so. Frankly, Government Back Benchers have done no credit to themselves or to this House.

3.49 pm

The Deputy Leader of the House of Commons (Helen Goodman): It is a pleasure to take part in the debate and to follow the hon. Member for North-West Cambridgeshire (Mr. Vara).

I am concerned about the old-fashioned view of Members that the motion perpetuates. The role of the Member of Parliament has changed since the 18th century, when it was a part-time exercise, which those who could afford to fund themselves undertook. David Lloyd George recognised that in 1911, when he referred to the demand from democracy. Voters should choose who represents them and no one should be excluded because they do not have the means to run two offices and two homes—one in the constituency and one at Westminster.

The second and equally important principle is that public money should be properly used for the purposes for which it was voted. We must demonstrate that that is the case to maintain public confidence. The proposals that my right hon. and learned Friend the Leader of the House presented today do that. First, she proposes that the green book rules be rewritten, thus ending the John Lewis list, and that the body to do it—the Advisory Panel on Members' Allowances—be augmented by two external, independent appointees. That has been discussed with the Chair of the Committee on Standards in Public Life.

Secondly, my right hon. and learned Friend proposes much stronger audit arrangements, namely a full financial audit by the highly respected and independent National Audit Office, covering all allowances. That will be a proper, risk-based audit.

Mrs. May: Does not the hon. Lady understand that the NAO already audits the House of Commons, including all allowances?

Helen Goodman: I understand that. The NAO currently tests and checks the controls to ensure that they are adequate and effective. The difference is that it will now also consider the rules and guidance on what is acceptable, and robust management controls and processes to ensure compliance.

Mrs. May: I raised that point earlier. If the NAO is to examine the rules and the guidance on the rules, the Government will have to change the legislation that covers the NAO. It does not have the power to consider policy.

Helen Goodman: The right hon. Lady is not right about that. If she considers the evidence, which the NAO submitted, in appendix 3 of the report, she will realise that we are following the precise recommendation of the Comptroller and Auditor General.

We also propose that the NAO should report to the Members Estimate Audit Committee, which has two independent members, shortly to be augmented to three. Those proposals have been discussed with the Comptroller and Auditor General.

Those measures, with the decisions that the House took on 3 July, will reduce to under 1 per cent. the amount of unvouched spending, and significantly strengthen the assurance that the public can have.

When the right hon. Member for Maidenhead (Mrs. May) spoke at the beginning of the debate, she made several suggestions, which were perceived to be impractical. She also mentioned Members of the European Parliament. Eight years ago, Labour MEPs decided to have their finances audited, and they post on their individual websites the audit letters that they receive. I emphasise that Labour MEPs took that step to improve transparency eight years ago.

The Leader of the House responded by describing the work of a modern Member of Parliament. She explained why her reforms will fulfil the House's current needs.

The hon. Member for North Southwark and Bermondsey (Simon Hughes) recapped on the debate of 3 July and made a strong case for improving transparency.

My hon. Friend the Member for Middlesbrough (Sir Stuart Bell) welcomed my right hon. and learned Friend's proposals. He was one of the MEC three and we are most grateful to him for all his work on the subject. He is right that the role of Parliament is central. That is why the Government made it clear in "The Governance of Britain" White Paper that renewing trust in our institutions is essential to our proposals for constitutional renewal.

The hon. Member for South Staffordshire (Sir Patrick Cormack) made a considered speech based on his long experience and pointed to the need for appropriate support for all hon. Members.

My right hon. Friend the Member for Warley (Mr. Spellar) began by reminding us of the sneer in Alan Clark's diaries about those who buy their own furniture. However, he forgot to add that the day began with Alan Clark explaining that that criticism was made by

> "Pinkish toffs"

who had

> "suffered, for ten years, submission to their social inferior".

Clearly that is not the snobbish world to which most hon. Members wish to return. My right hon. Friend also drew on his experience as chairman of the Advisory Panel on Members' allowances. He commented on the important fact that the nature of MPs' work is changing and that if we want a House that is truly representative and diverse, we must recognise that in the structure of our allowances.

The right hon. Member for Penrith and The Border (David Maclean) highlighted the need for a more systematic approach to reform. He is another member of the MEC, and we are grateful to him for the huge amount of effort that he has made. The proposals put forward in the Government amendment build on the work that the MEC did earlier in the year.

My hon. Friend the Member for Bassetlaw (John Mann) spoke about the problems of malpractice and cases where expenditure of public money has been abused for party political advantage, and about the importance of taking a systematic approach. What he said is absolutely right. That is exactly why we want to extend the National Audit Office audit to cover the systems, to ensure that they, too, are robust and that Members can rely upon them and be assured that the records that they hold are accurate.

The hon. Member for Hexham (Mr. Atkinson) suggested that some sort of deal had been done on the Government Benches on 3 July, so that Labour Members would be free to vote against the MEC if they voted with the Government on pay. In fact, he is wholly wrong about that. No such deal was done; there was a completely free vote.

My hon. Friend the Member for North Durham (Mr. Jones) described a catalogue of problems in the last two Parliaments and stressed the importance of financial audit.

The right hon. Member for Maidstone and The Weald (Miss Widdecombe) said that she wanted to make a robust defence of the position in which hon. Members find themselves. She certainly succeeded. She also pointed to the fundamental weakness in the Opposition motion, in that it will reinstitute a two-tier membership of the House.

Rob Marris: Does my hon. Friend look forward to finding out after this afternoon's vote how many of those who vote for the Opposition motion do not rent furnished accommodation as part of their ACA claim, and therefore hypocritically do not do what the motion says that Members should do?

Helen Goodman: I am sure that there are those who will be extremely alert to the issues that my hon. Friend raises and who will provide us with that information.

In conclusion, MPs play a vital role in our democracy. They represent their constituents, they legislate and they scrutinise the Executive. To do that they must have adequate resources and they must command the confidence, respect and trust of the public. I believe that the proposals put forward by my right hon. and learned Friend the Leader of the House achieve both those aims, involving independent external members on the panel to review the green book, abolishing the John Lewis list and providing for a full financial audit of all allowances by the National Audit Office. I commend her amendment to the House.

Question put, That the original words stand part of the Question:—

The House divided: Ayes 238, Noes 295.

Division No. 264] **[3.58 pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Ancram, rh Mr. Michael
Atkinson, Mr. Peter
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Bellingham, Mr. Henry
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, rh Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Lorely
Cable, Dr. Vincent
Cameron, rh Mr. David
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Carswell, Mr. Douglas
Cash, Mr. William
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clegg, rh Mr. Nick
Clifton-Brown, Mr. Geoffrey
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davey, Mr. Edward
Davies, Mr. Dai
Davies, David T.C. *(Monmouth)*
Davies, Philip
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Donaldson, rh Mr. Jeffrey M.
Dorrell, rh Mr. Stephen
Duncan, Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Fabricant, Michael
Fallon, Mr. Michael
Farron, Tim
Field, rh Mr. Frank
Field, Mr. Mark
Foster, Mr. Don
Fox, Dr. Liam
Francois, Mr. Mark
Fraser, Christopher
Gale, Mr. Roger
Galloway, Mr. George
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hoey, Kate
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Horwood, Martin
Hosie, Stewart
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Howell, John
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Kirkbride, Miss Julie
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Mackinlay, Andrew
Maclean, rh David
Main, Anne
Malins, Mr. Humfrey
Maples, Mr. John
Mates, rh Mr. Michael
Maude, rh Mr. Francis
May, rh Mrs. Theresa
McCrea, Dr. William
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Mulholland, Greg
Murrison, Dr. Andrew
Neill, Robert
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Oaten, Mr. Mark
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rennie, Willie
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, rh Mr. Peter
Rogerson, Dan
Rosindell, Andrew
Ruffley, Mr. David
Russell, Bob
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, David
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Timpson, Mr. Edward
Tredinnick, David
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Sir Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Waterson, Mr. Nigel
Watkinson, Angela
Webb, Steve
Whittingdale, Mr. John
Wiggin, Bill
Willetts, Mr. David
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilson, Mr. Rob
Wilson, Sammy
Wishart, Pete
Wright, Jeremy
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Mr. David Evennett and
James Duddridge

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, rh Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel

Blizzard, Mr. Bob
Blunkett, rh Mr. David
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, rh Mr. Gordon
Brown, rh Mr. Nicholas
Browne, rh Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Paul
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cook, Frank
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Darling, rh Mr. Alistair
David, Mr. Wayne
Davies, Mr. Quentin
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Ennis, Jeff
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, rh Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael
(Worcester)
Foster, Michael Jabez
(Hastings and Rye)
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hanson, rh Mr. David
Harman, rh Ms Harriet
Havard, Mr. Dai
Healey, John
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hughes, rh Beverley
Humble, Mrs. Joan
Iddon, Dr. Brian
Illsley, Mr. Eric
Ingram, rh Mr. Adam
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Llwyd, Mr. Elfyn
Love, Mr. Andrew
Lucas, Ian
Mackinlay, Andrew
MacShane, rh Mr. Denis
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonagh, Siobhain
McDonnell, Dr. Alasdair
McFadden, Mr. Pat
McFall, rh John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, rh Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh David
Miliband, rh Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, rh Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
Olner, Mr. Bill
Owen, Albert
Palmer, Dr. Nick
Plaskitt, Mr. James
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Primarolo, rh Dawn
Prosser, Gwyn
Purnell, rh James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, rh Joan
Salter, Martin
Sharma, Mr. Virendra
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andy
Smith, rh Mr. Andrew
Smith, Ms Angela C.
(Sheffield, Hillsborough)
Smith, Angela E. *(Basildon)*
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Spellar, rh Mr. John
Spink, Bob
Starkey, Dr. Phyllis
Stoate, Dr. Howard
Straw, rh Mr. Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, rh Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, rh Mr. Don
Trickett, Jon
Turner, Dr. Desmond
Twigg, Derek
Ussher, Kitty
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Wilson, Phil
Winnick, Mr. David
Winterton, rh Ms Rosie
Wood, Mike
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wyatt, Derek

Tellers for the Noes:
Alison Seabeck and
Mr. Sadiq Khan

Question accordingly negatived.

Question, That the proposed words be there added, *put forthwith, pursuant to Standing Order No. 31 (Questions on amendments), and agreed to.*

Main Question, as amended, put and agreed to.

Resolved,

That this House recognises growing public concern on expenses and allowances for hon. Members and Members of the European Parliament (MEPs); believes that all British Members of the European Parliament (MEPs) should follow all the open and transparent procedures voluntarily adopted by Labour MEPs; further to debate in the House on 3rd July on the control and audit of the public money spent by hon. Members carrying out their duties, further believes that there should be a re-writing of the Green Book by the Advisory Panel on Members' Allowances, augmented by two independent external appointees; further believes that the Panel should keep the Green Book under review and advise on any further modifications, including in relation to reimbursement of reasonable costs of a second residence, to include abolition of the so-called John Lewis list; and further believes that an external financial audit by the National Audit Office, covering all the allowances in the Green Book, should include the rules and guidance on what is and what is not acceptable under the rules, the management controls and processes used by the Department of Resources to ensure compliance with the rules, and the checks and testing of the controls to ensure that they are adequate and effective.

Fuel Duty

Madam Deputy Speaker (Sylvia Heal): I advise Members that Mr. Speaker has selected the amendment in the name of the Prime Minister and imposed a 10-minute limit on all Back-Bench speeches.

4.13 pm

Mr. Philip Hammond (Runnymede and Weybridge) (Con): I beg to move,

That this House notes that oil prices are now almost $150 per barrel; further notes that diesel in the UK is the most expensive in Europe; acknowledges the sharp rises in fuel prices over the past year and the resulting impact on headline inflation figures; recognises the financial pressure this places on hard-pressed families already struggling with soaring food and housing costs; condemns the Government's continued dithering over the implementation of the two pence increase in fuel duty, planned for the autumn, as neither a sustainable nor a stable way to make tax policy; further notes that a balancing mechanism to adjust fuel duty in line with changes in the price of oil would have reduced the current price of petrol by five pence per litre since March 2008; and calls upon the Government to consider the implementation of such a balancing mechanism to ensure that the burden of rising oil prices is shared fairly between government and families, the sensitivity of the public finances to changing oil prices is reduced and the cost of carbon can be stabilised to send consistent environmental signals.

This morning, when I heard the announcement of the Government's climbdown on the 2p fuel duty increase, my first reaction was to see it as a triumph for Parliament. No sooner had we tabled a motion accusing them of dithering on the issue than they stopped dithering and acted—a triumph for parliamentary democracy. But then I remembered the by-election and the reality that the climbdown is a triumph not for democracy, but for cynical short-term political calculation.

Dr. Stephen Ladyman (South Thanet) (Lab): Can the hon. Gentleman honestly tell the House that he did not think of the by-election when he tabled the motion in the first place?

Mr. Hammond: I am sorry to have to disappoint the hon. Gentleman, but Glasgow, East is not top of the Conservative party's hit list for expected by-election victories. I know things have got bad for the Labour party, but we like to be realistic and we are not expecting to take Glasgow, East in a by-election, as I can reveal today.

Never mind the protestations that the time to announce any change is the autumn. Forget the always bogus claim that the change was unaffordable because there is no net Treasury gain from soaring oil prices. When the Prime Minister's neck is on the block, principle is thrown to the wind. Nothing cannot be unsaid. No price is too much to pay. For Crewe and Nantwich, it was £2.7 billion. For Glasgow, East, it is £1.1 billion a year in perpetuity. For the Prime Minister's sake, let us hope that he gets better value for money in Glasgow, East than he got for his £2.7 billion in Crewe and Nantwich. As my right hon. Friend the Leader of the Opposition said yesterday, we will have to take good care of Members of Parliament for the next 18 months, because at this rate the public finances cannot stand the cost of too many more by-elections. With the 10p U-turn and 2p U-turn now out of the way, I presume that it is only a matter of time—or perhaps timing—before we hear an announcement of the car tax U-turn.

Mr. Tom Clarke (Coatbridge, Chryston and Bellshill) (Lab): As someone who spent time recently in Glasgow, East, and not for the first time, may I put it to the hon. Gentleman, first, that his hon. Friends will be astonished that he has conceded the by-election, and secondly, that nothing he has said so far relates remotely to anything I have been hearing in Glasgow, East?

Mr. Hammond: I do not know which doorsteps the right hon. Gentleman has been on in Glasgow, East, but that is not what I hear from my hon. Friends who have been there.

After months of dithering, we have a decision—I know how difficult the Prime Minister finds it to make decisions—to cancel the tax rise in the run-up to an election. It is not surprising, as the soaring cost of living is the No. 1 concern for families in Glasgow, East and elsewhere. With earnings growth stagnant for the past two years, household debt at record highs, housing asset values sliding, and the price of everything we consume soaring, is it any wonder that families are feeling the pinch? Inflation is at its worst level for 16 years—more than double the rate the Government inherited from their predecessor in 1997. The latest figures published this week show the consumer prices index up 0.5 per cent. in a single month to nearly twice the Government's target, and factory gate prices rising 10 per cent. in the year—the biggest annual percentage increase since February 1982, and an indicator of potential further consumer price inflation to come. The Governor of the Bank of England warns that inflation is likely to rise still further and to persist at the higher level until well into 2009.

At the heart of that inflationary pressure is the soaring cost of oil, and the consequential increases in the price of petrol and diesel at the pumps. More than a quarter of the increase in consumer prices over the past year is due to the direct effects of fuel price increases, not counting the indirect impact that increasing fuel prices have on the cost of goods and services throughout the economy.

Lembit Öpik (Montgomeryshire) (LD): Is the hon. Gentleman aware that in my constituency average salaries have gone down 4 per cent. in the past 12 months? Coupled with the necessarily high dependence on private transport in a rural and sparsely populated area, the effect of the increase in fuel costs is exacerbated for those poorer individuals in Montgomeryshire.

Mr. Hammond: I recognise the hon. Gentleman's point. The situation is worse in some places than others, but families across Britain are feeling the pinch.

The Government say that the problem is international—"Nothing to do with us, guv." But about 60 per cent. of the current retail price of fuel is accounted for by tax. At 115p—nice work if you can find it—the price of a litre of unleaded petrol is made up of just over 50p in fuel duty and 17p in VAT. Before I spell out the detail of how our fair fuel stabiliser will work, let us consider the system—for want of a better word—that is in place.

Instead of cushioning the blow and helping families to cope when oil prices rise, under the present system the Government add to the rising cost of living. Fuel duty is set to rise every year by at least the rate of inflation, regardless of what happens to the price of oil, before taking account of VAT, which rises automatically as prices rise. But that does not mean that the system runs smoothly. Inevitably, there is annual pressure on the Chancellor and the Prime Minister to postpone or cancel increases in fuel duty—a practice that the Prime Minister adopted regularly during his term in the Treasury. That pressure intensifies, as we have seen, if a Government are in trouble or face a tricky by-election. Far from automatic inflation increases in the rate of duty occurring predictably, the level of real duty is the subject of short-term political calculation, year after year, with the inflation increase having been cancelled or postponed in five years out of the last six, creating uncertainty for businesses and families, making the public revenues less predictable, and weakening environmental signals in the tax regime.

Pete Wishart (Perth and North Perthshire) (SNP): In the past few months, the Conservatives have accused the Labour Government of nicking some of their ideas, and they are right to do so. I know that the hon. Gentleman is a fair-minded Member of the House. Will he therefore accept and acknowledge that his stabiliser, or whatever it is called, is a direct snatch from the Scottish National party? Will he explain why, when the idea was put to the Finance Bill Committee by my hon. Friend the Member for Dundee, East (Stewart Hosie), the Conservatives inexplicably failed to support that measure?

Mr. Hammond: I welcome the hon. Gentleman's contribution, and I am happy to acknowledge the work that the Scottish nationalists have done on the challenges that we face on fuel prices, but I am going to reveal something to the House: the original author of the fair fuel stabiliser idea is, I think, none other than the Foreign Secretary. Hon. Members may remember that he urged the then Chancellor a couple of years ago to introduce something similar in his Budget.

Mr. Siôn Simon (Birmingham, Erdington) (Lab): It is enlightening that the hon. Gentleman manages to pray in aid the Foreign Secretary. The hon. Gentleman and I were on the Finance Bill Committee for seven weeks, and the hon. Member for Dundee, East (Stewart Hosie) did indeed propose the policy. Not only did the hon. Member for Runnymede and Weybridge (Mr. Hammond) not support it in Committee—and I think he voted against it on the Floor of the House—but he explained at some length in Committee why it was a wrong policy.

Mr. Hammond: My recollection is that the measure put forward by the Scottish nationalists in Committee was not as set out by the hon. Gentleman. However, before he rallies around the Chief Secretary in what he might think is a career-enhancing move, he should think about how it was the Foreign Secretary who urged the now Prime Minister to adopt the policy. The hon. Gentleman might think about his career prospects in those terms.

Mr. Simon *rose—*

Nigel Griffiths (Edinburgh, South) (Lab) *rose—*

Mr. Hammond: I am going to make a little progress.

As usual this year, the Government have dithered and prevaricated over the 2p rise originally scheduled for

April, then postponed until October, and now off the table in July. Who knows what would have happened if it were not for the by-election? We had a nod from the Prime Minister at the Liaison Committee on 3 July when he said that

> "you will find that in most years since 2000 that the duty has actually been frozen…it is clearly a matter that will be looked at very, very carefully over the next few weeks."

There was a wink from the Chancellor on 28 May when he said:

> "I intend to come back to the issue of the fuel tax increase that would be due this October."

That is not a sustainable way to make tax policy. Instead of a clear formula based on transparent principles that people can understand, it is an ad hoc system driven by the political convenience of the Prime Minister rather than by sound economics.

Nigel Griffiths: If the SNP's policy was not, as the hon. Member says, the policy that he is proposing, why did he not propose it when he had six weeks to do so in the Finance Bill Committee? Is this just another policy that is blowing in the wind?

Mr. Hammond: We work hard on our policy announcements. We base them on sound research, which I shall be quoting in a moment, and we consult on them, unlike the Government, before we introduce new tax proposals.

Dr. Ladyman: Will the hon. Gentleman give way?

Mr. Hammond: I will make a little progress because the hon. Gentleman has intervened once already.

There is a better way. At times like this, people look to their Government to help them—to give them a hand when times are tough. The UK's unique advantage as an oil producer allows us to offer support to families when oil prices soar, to stabilise the public finances and make them more predictable, and to reinforce the long-term green signals that the tax system sends by adopting Conservative proposals for a fair fuel stabiliser that will build in the kind of response that we heard from the Government today, not as an ad hoc political statement but as an automatic and thus reliable response to rising oil prices. We must operate in that way if we are to deliver the climate of economic stability that Britain needs. We need government by clear principles, transparently and consistently applied, not government by nods and winks.

While the Labour party, clinging to office, treats fuel duty as a short-term political football and people like fools, the Conservatives in opposition have been doing the work to come up with clear, well thought through proposals to introduce the fair fuel stabiliser that Britain clearly needs. Before I explain how it would work, let me list five principles that we have set out which a reformed system of fuel duty should observe.

First, any reform must help families when the cost of living is rising, because part of the function of Government is to dampen the shocks that the economy receives by putting something aside during the good times to help out during the more difficult times. Secondly, any reform should reduce the inflationary impact on the economy from fluctuations in international oil prices. Thirdly, because of Britain's position as an oil-producing country, reform should reduce the sensitivity of the public finances to changes in oil prices, improving the Treasury's ability to forecast and budget for the future. Fourthly, despite—or perhaps because of—the immediate challenge posed by soaring oil prices, we should not lose sight of our long-term green agenda. Any reform should provide more certainty about the price of carbon, encouraging the long-term shift towards lower-emission vehicles and alternative methods of transport that will be necessary to meet our climate change objectives. Finally, any reform should be transparent and simple to administer.

Lynne Jones (Birmingham, Selly Oak) (Lab): Will the hon. Gentleman, or the shadow Chancellor, be responding to the letters in Monday's edition of the *Financial Times*, not least from the hon. Member for Twickenham (Dr. Cable) but also from Charles Brendon of Exeter College, who suggested that the Conservative party's economic capabilities were somewhat limited?

Mr. Hammond: We will not take any lectures from Charles Brendon of Exeter College. The hon. Lady may or may not have done her research, but Mr. Brendon is a Labour party activist and a graduate student at Exeter. However, in a moment, I will refer to the letter in the *Financial Times* from the hon. Member for Twickenham (Dr. Cable) and to his previous comments.

Stewart Hosie (Dundee, East) (SNP): The hon. Gentleman has referred to the environment. Although managed increases such as the Government's proposed new fuel duty escalator from 2010, with duty rising annually at 0.5p a litre above inflation, may well squeeze out unnecessary usage, does he agree that the reason we need a regulator-stabiliser-moderator is that when massive spikes are unmoderated, the use of managed increases as an environmental tool is completely destroyed?

Mr. Hammond: I entirely agree. We must also bear in mind that there are downward movements in oil prices as well, which undermine the incentive to invest in fuel-economising technology.

So what is the fair fuel stabiliser? Let me put it simply: under a fair fuel stabiliser, when oil prices went up, fuel duty would fall, and, in a quid pro quo, when oil prices went down, fuel duty would rise. If our fair fuel stabiliser had been introduced in the 2008 Budget, fuel would be about 5p a litre cheaper at the pump, which would save about £3.50 on a tank of fuel for a Ford Mondeo, and inflation would be not 3.8 per cent. but about 3.3 per cent. Government revenues would not differ from the Budget predictions, which were based on an oil price of $84 a barrel. *[Interruption.]* It is amazing—is it not?—that the Treasury Whip, the hon. Member for Waveney (Mr. Blizzard), who sat in complete silence throughout the passage of the Finance Bill, now apparently cannot keep his mouth closed. He seems to have plenty to say.

If, instead of rising, oil prices had fallen since the Budget, fuel duty would have risen. Prices at the pump would have fallen, but not by as much as they would have without the fair fuel stabiliser. Government revenues would again not have differed from the Budget forecast. The overall effect of such a stabiliser is to dampen the impact of fluctuating oil prices, softening the blow of an increase in oil prices on the pump price of petrol and

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diesel, but dampening also the downward movement when oil prices fall and duty rises to offset part of the drop. Therefore, on every count the fair fuel stabiliser would deliver a better result than the current system, as well as being more transparent and predictable. A fair fuel stabiliser would help to stabilise family finances, stabilise the public finances, dampen inflationary pressures and improve long-term signalling of the price of carbon. When oil prices rise, family budgets are put under pressure. The fair fuel stabiliser would moderate the impact of oil price increases on families by offsetting about half of the increase with a corresponding reduction in fuel duty, so the pump price would rise by about half the amount it otherwise would.

Mr. Jamie Reed (Copeland) (Lab): Does the hon. Gentleman believe there is any evidence to suggest that speculation in the markets increases the price of oil?

Mr. Hammond: That is slightly wide of the question we are dealing with, but from what I have seen there is no evidence that speculation is driving the price of oil in the markets. Obviously, speculation plays a role in the oil markets, but I have not seen any evidence that suggests that curbing oil futures trading activity would solve the problem we face today, as that is based on more fundamental factors.

To return to my earlier comments, of course there has to be a flip-side. When oil prices fell, the duty would go back up again so that prices at the pump would fall more slowly than they would under the current system. The hon. Member for Edinburgh, South (Nigel Griffiths) asked what would happen if oil prices did not fall, implying that only when oil prices fell and the duty rose again could the public finances be put back into balance. I want to disabuse him of that notion. The balancing item in the public accounts is the windfall increase in North sea taxation that the Government receive when oil prices increase.

I would have thought that helping families by smoothing the violent fluctuations in the pump price that can otherwise occur might appeal to someone who once claimed to have ended boom and bust.

Dr. Ladyman: I am not going to viciously attack the hon. Gentleman's ideas because I do not think he stole them from the Scottish National party or the Foreign Secretary; instead, I think he stole them from an article I wrote in *Progress* magazine. However, he seems not to have taken account of the following point. It is true that when fuel prices increase, we might get more from VAT on the fuel, but if the price of fuel is taking up more of an individual's spend, the other areas of the economy will lose spend and the revenue will go down in those areas. Under the hon. Gentleman's measure, how will the Exchequer take account of such changes in the economy?

Mr. Hammond: If those comments represent the hon. Gentleman's line of approach, I certainly did not take my ideas from his article. He is right that this is nothing to do with VAT. There can be arguments at the margin, but, broadly speaking, the VAT balances itself out across the economy. I also agree that oil price increases have a negative effect in other parts of the economy. However, if he will bear with me for a few moments, we will come to the evidence from the National Institute of Economic and Social Research about the net impact on Treasury revenues across the economy as a whole.

What will be the impact on the public finances? Let me deal with myth No. 1, which for shorthand I will call the Labour myth. The Chief Secretary has claimed that our proposal for a fair fuel stabiliser would lead to a £3 billion "black hole" in the public finances. Never mind the fact that she should not be the first person to talk about black holes in the public finances, but this is far from the truth, as I believe she very well knows. The truth is that the only independent UK economic forecaster who has done the necessary work to comment definitively on this issue is the National Institute of Economic and Social Research, and it has concluded that oil price rises generate a positive impact on the public finances, even after taking into account the secondary effects of oil price rises on the economy overall, and thus on non-North sea Government revenues. According to the National Institute of Economic and Social Research, the net benefit to the Treasury is about £140 million for every $1 dollar change in the price of a barrel of oil. So, when the oil price increases, net Government revenues, after taking into account all the effects across the economy of that oil price rise, also increase. It follows logically that when the oil price falls, Government revenues will also fall, by the amount of reduction in North sea tax revenues, less the positive effect from the increase in activity across the rest of the economy with which an oil price fall would normally be associated. Overall, there is a loss of revenue for the Government when oil prices fall. In other words, there is a spectacular misalignment of interests. An oil price rise, which is bad for families and for businesses, delivers a windfall to the Treasury, whereas an oil price fall, which is good for families and for businesses, creates a hole in the Treasury's revenues.

The fair fuel stabiliser aligns the interests of consumers with those of the Treasury, and it shares the pain and shares the gain. It makes the public finances more stable, by reducing the impact of changes in oil prices, upwards or downwards, on Treasury revenues, making it easier for it to project what future revenues will be and making those projections less vulnerable to the vagaries of the international oil market.

Mr. John Redwood (Wokingham) (Con): I am glad that my hon. Friend is making this point, because it is idiocy to say that there will be a black hole under this scheme when the oil price rises. As he said, there is a 60 per cent. tax at the pump. If the oil comes from the North sea, there is a further tax, which is not included in that 60 per cent. There is an average tax rate of about 42 or 43 per cent. on the economy as a whole, so, of course there will be more revenue when the oil price rises. I find it extraordinary that people go on making these idiotic remarks about black holes when the opposite is true.

Mr. Hammond: We can speculate on why the Government have taken the line that they have. We do not rule out the possibility that, notwithstanding the Chief Secretary's fairly virulent attack on this policy when we launched it, we will find it in the pre-Budget report or in next year's Budget as the centrepiece of new Labour's fight back.

Mr. Jeremy Browne (Taunton) (LD): Given that oil prices have risen by more than the Chancellor predicted at the time of the Budget, will the hon. Gentleman inform the House what has happened to stamp duty revenues compared with the Budget estimates? Does he think that there should be a stabiliser in place to try to balance that part of the economy too?

Mr. Hammond: Unfortunately, because we have not been given an interim statement from the Government, we do not know precisely what has happened to stamp duty revenues. I hear a whisper that they are substantially down, but that is a different argument, because we are talking about what is happening to oil prices and the impact on the economy of an oil price increase.

As we are dealing with the Lib Dems, let me address myth No. 2, which is propagated, surprisingly, by the hon. Member for Twickenham (Dr. Cable). For the purposes of shorthand, I shall call this the Lib Dem myth, although there are many Lib Dem myths. The hon. Gentleman, who likes to think he knows a thing or two about oil, says that the fair fuel stabiliser would require the Government to predict the future price of oil. I am surprised at him, because although I do not always agree with what he says, I find that it is usually based on fact, and nothing could be further from the truth than that comment. The stabiliser will mean that Government revenues remain broadly the same, whether oil prices go up or down, because any windfall or shortfall from the North sea will be offset by a decrease or increase in fuel duty. The truth is that the present system requires the Government to predict future oil prices, when they make their revenue forecast in the Budget, thus leaving the public finances exposed to fluctuations in the oil market. Under the fair fuel stabiliser, that volatility in public revenues is removed, and the Lib Dem myth is demolished.

We are consulting on the precise level of the reduction in duty that should be associated with any given increase in oil prices. The example we have used and published, where the fair fuel stabiliser reduces the price increases at the pump by half, is broadly revenue-neutral to the Treasury on a conservative estimate of £100 million of net revenue gain for each $1 change in the price of a barrel of oil—that is a far lower figure than the National Institute of Economic and Social Research's model predicts.

At some stage this afternoon—I believe that this would be called a pre-emptive strike—I am expecting to hear from the Chief Secretary, in an attempt to shore-up the Labour myth, about the Institute for Fiscal Studies. She is fond of quoting that highly respected body when it suits her, but on this issue, for very good reason, it has little to say. The IFS correctly says that its modelling leaves it "unclear" about the precise size of the positive impact on the public finances from an increase in the oil price, over and above the cost of the 2p U-turn that the Government have done today. However, the IFS is in no doubt that the impact is positive.

The Chief Secretary has produced the IFS's statement with a flourish, as though it demolishes the NIESR analysis. It does not. "Unclear" means precisely what it says and the IFS is unclear for a reason. It does not have a dynamic macro-economic model that would allow it to analyse the likely impact of an external shock such as an oil price increase. That is not the business that it is in. The NIESR has such a model and is in the business of conducting such analysis. It is the body with the authoritative view on the subject and the Chief Secretary can quote the IFS as loudly and as often as she likes—its position, which we have checked again with it during the past few days, is that it simply does not know the answer to the question because it has not done the work and, what is more, it does not have the tools to do the work. So, the Labour myth is demolished, too.

Rob Marris (Wolverhampton, South-West) (Lab): Will the hon. Gentleman give way?

Mr. Hammond: At last, the hon. Gentleman! I thought that I was going to get to the end of my speech without his intervention.

Rob Marris: I am grateful to the hon. Gentleman for his usual generosity. He is talking about the research. I do not know the answer to this question—a lawyer should never ask a question to which they do not know the answer—but is any other country using such a mechanism? If so, what does the research in that country suggest is its effect?

Mr. Hammond: I do not have a precise answer about the work that has been done in relation to other economies. I have looked only at the work that has been done in relation to the UK economy. That is a fair question, and I shall kick myself for not having looked at it and I shall go away and do so. The hon. Gentleman's comment is very useful, and I am sure that my colleagues have looked into the matter—I shall talk to them about it.

The Labour myth is demolished. A fair fuel stabiliser would stabilise family finances and the public finances, but it will do more than that. It will also help to stabilise inflation. If half the increase in fuel prices over the past year had been offset by lower fuel duty, consumer price inflation would be 3.3 per cent., not 3.8 per cent. The pressure for wage increases and the industrial action behind them would be accordingly reduced. So there would be greater stability in family finances, greater stability in the public finances and lower inflation in a period of rising oil prices.

There is one other environmental benefit of the fair fuel stabiliser. Environmental taxes, such as fuel duty, can play an important role in reducing carbon emissions. They work mainly by encouraging a long-term shift towards lower emission vehicles and alternative methods of transport in response to higher fuel prices at the pump. A stable carbon price, as the Stern review argued, helps individuals and businesses to factor environmental costs into medium and long-term investment decisions and behaviour.

The fair fuel stabiliser would allow the average real value of fuel duty to be maintained to take inflation into account, as is supposed to happen now. When oil prices were rising, pump prices would rise, but by less than they do now. The long-term signal to consumers would be maintained. When oil prices fell, the price of fuel at the pump would fall, but by less than it would do otherwise. The incentive to consumers to adopt green behaviour would be strengthened. The risk of the message being undone by a downward movement in oil prices would be reduced. Overall, clearer, less volatile signals would be delivered, creating a stronger, more consistent environmental message.

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So, we would have relief for families when oil prices were soaring, greater stability and predictability in the public finances, a reduction in the upward pressure on inflation and stronger, clearer and more consistent environmental tax signals. The fair fuel stabiliser is a practical, deliverable response to the challenges that fluctuating oil prices bring. As an oil producer, Britain is almost uniquely able among the industrialised countries to introduce such a measure and to give ourselves a competitive advantage in the globalised economy.

The proposal makes sense at every level. It would provide a long-term stabiliser for the British economy and much-needed relief for hard-pressed families facing soaring fuel bills and hard-pressed businesses struggling to compete with those who have access to lower duty fuel.

Nigel Griffiths: Will the hon. Member give way?

Mr. Hammond: I am finishing now.

When times are hard, people look to their Government for leadership. They look to their Government for a helping hand. They look for practical actions to address the pressures that they are facing. They do not want excuses that it is all someone else's fault, or self-congratulatory lectures about how well prepared Britain is to weather the storm when it patently is not well prepared. People want practical help and, as we develop ideas such as the fair fuel stabiliser, they will know that a future Conservative Government—unlike this lot—will be on their side, not on their backs.

4.45 pm

The Chief Secretary to the Treasury (Yvette Cooper): I beg to move, To leave out from "House" to the end of the Question, and to add instead thereof:

"recognises the pressure that the increase in fuel prices, caused by pressures from the international oil market, has put on business and families; welcomes the Chancellor's decision to defer the planned two pence per litre increase in fuel duty that was due to take place in April 2008; notes that while fuel prices have increased by over 20 per cent. since last October, fuel duty has stayed constant; also notes that had the escalator introduced in 1993 been in place since 1999, fuel duty would now be 29 pence per litre higher; supports the Government's global leadership on this issue, in particular at the recent Jeddah Energy Meeting, and welcomes the Government's intention to host a follow up to this meeting in London later this year; further recognises that the Government does not receive a significant windfall when oil prices rise, because any additional revenues from the North Sea are likely to be offset by other effects; and therefore further notes that a system which would automatically cut fuel duty when oil prices rise would be destabilising, creating volatility for the public finances and uncertainty for the financing of public services, and would create considerable pressure for tax increases elsewhere."

I welcome the chance to reply to this debate. The entire world is affected by the big increases in the price of oil. A year ago, oil cost $77 a barrel, but this week it reached almost $145—nearly twice as high. Ten years ago, oil cost $10 a barrel, but it recently went up by $10 in just one day. The impact of the high oil price is being felt right across the world. It is driving up prices at the pump, and people's gas and electricity bills as well. We are seeing those price increases right across Europe and the world.

The effects are being felt here at home too. In Castleford this morning, unleaded petrol was going for more than £1.20 per litre. That places pressure on household budgets, and that is why we have deferred the fuel duty increase that was set for April. It is also why the Chancellor has announced today that the 2p fuel duty increase proposed for the autumn will not go ahead.

Pete Wishart: Can the right hon. Lady do something that the Prime Minister failed to do earlier this afternoon and concede that the 2p postponement is all to do with the by-election? If the Scottish National party can achieve that just by threatening one of Labour's most solid majorities, imagine what we can achieve when we win that by-election.

Yvette Cooper: I have to say that that is complete nonsense. Fuel duty is often set to increase in the autumn, but on a number of occasions, the rise has been either postponed or put back. In 2004, for example, the deferral of the autumn increase was announced on 20 July. Similar decisions in 2005 and 2006 were announced on 5 July and 19 July, respectively. The date today is 16 July, which means that today's announcement is entirely in keeping with decisions taken in previous years.

Justine Greening (Putney) (Con): Will the Chief Secretary clarify for the House the impact of today's announcement on the forecast for public finances set out in the Red Book?

Yvette Cooper: The hon. Lady is right that the announcement will reduce the amount of fuel duty revenue for this year. The precise figures will be set out in the pre-Budget report, as happened in 2004, 2005 and 2006. That is the normal practice that we have always followed.

Mr. Kenneth Clarke (Rushcliffe) (Con) *rose—*

Mr. Redwood: *rose—*

Yvette Cooper: I shall make one more point and then give way. The figures show that fuel duty has risen just three times since 1999, when we abolished the fuel duty escalator introduced by the previous Government. Fuel duty has fallen in real terms by 17 per cent. since then.

I am spoiled for choice as to who to give way to first, but I shall give way to the right hon. and learned Member for Rushcliffe (Mr. Clarke) and then to the right hon. Member for Wokingham (Mr. Redwood).

Mr. Kenneth Clarke: I find it quite incredible that the Chief Secretary can talk about a tax change that has been announced this morning yet refuse to tell the House what the cost will be. It is completely incredible that the Treasury is not capable of giving her a precise figure for the estimated loss of revenue. It is quite scandalous for her to say that the House of Commons will not be told the cost until November.

Yvette Cooper: As I said, we have set out the information today in exactly the same way as we have done in previous years. I welcome the right hon. and learned Gentleman to the debate, as he was the author of the Conservatives' fuel duty escalator, which was introduced in 1993. I can tell the House that, had that escalator continued, fuel duty would be nearly 30p higher today, while the petrol price, including value-added tax, would be nearly 35p per litre more expensive. Indeed, had we increased fuel duty each year simply in line with inflation rather than with the escalator, fuel duty would also be 10p per litre higher today. As a result of the decisions that we have taken on fuel duty, vehicle excise duty and other car taxes, the tax revenue from fuel duty and VED is in fact lower now than in 1997, in real terms.

Mr. Redwood: The Minister must know that she is hundreds of millions to the good so far this year, given the Budget estimates on total oil taxation. Will she tell the British public how many more pence per litre they are paying at the pump in total in tax on North sea oil routed through a British pump than was envisaged in the Budget forecast?

Yvette Cooper: As I have said, we announced today that we are not going ahead with the 2p increase in fuel duty that was proposed for this autumn. I want to come on to the detail of the Opposition motion, as the Opposition have set out some details of their proposals.

Stewart Hosie: I come back to the issue of cost, as it is rather important. Will the Minister not confirm that the cost of the change will be £500 million this year? That will be more than offset by the increase in North sea tax, given that the projections were based on a price of $84 a barrel, not $145 a barrel, which was the price yesterday. Will she at the very least confirm that the cost will be £500 million, but that that will be more than offset by increases in revenue from the North sea?

Yvette Cooper: The hon. Gentleman is right to say that the figures that we set out at Budget time for increased revenue resulting from fuel duty will not now be as expected. However, the overall impact on the public finances of the increases in the world oil price, and other changes that have occurred simultaneously in the world economy over the past few months, will be set out as part of the pre-Budget report. We have to recognise that what has driven the big increases in oil prices, and in the price at the petrol pump, is changes in the world economy, the rising demand for oil from China, India and developing countries, and the fact that supply has not increased to keep up.

Before I turn to the detail of the Conservatives' motion, it is worth looking at what they did not include in their motion. There is no mention of the causes of the rise in world oil prices, no call for action on the world stage to increase oil production in the short term, no plan for working with international partners to get oil markets moving, and no proposals to cut dependency on oil in the medium term. Little wonder, because when it comes to those big questions, the Opposition have no answers at all.

The Conservatives turn their backs on Europe and their international partners, will not back nuclear power or the planning reforms needed to get alternative energy supplies moving, and will not face up to the big challenges facing the country. They will not do the things that are needed to reduce our dependency on oil, gas and fossil fuels in the medium and long term, or to reduce dependency across the world. The demand for oil from developing countries will not go away, so for the sake of the economy, and the planet, we need to reduce our dependency in the medium term. That means working with Europe and the G8, and doing all the things that the Conservative party, with its bunkered, anti-European mentality, refuses to do.

Sammy Wilson (East Antrim) (DUP): All the issues that the Minister mentioned may well be matters that should be considered in the House, but is today's debate not supposed to be about fuel duty?

Yvette Cooper: It is indeed, and that is why I want to spend some time doing what the Opposition motion asks us to do, and consider the implementation of what the Opposition call

> "a balancing mechanism to adjust fuel duty in line with changes in the price of oil"

in a way that

> "would have reduced the current price of petrol by five pence per litre since March 2008".

Hon. Members across the House will have noted that that proposal was first put forward by the Scottish National party during proceedings on the Finance Bill, and that there was a deafening silence from the main Opposition party on the issue, despite the fact that it had considerable opportunities to raise the matter during proceedings on the Bill.

Justine Greening *rose*—

Yvette Cooper: I will happily give way if the hon. Lady will point me to the sections of the Committee proceedings in which she discussed and strongly supported the proposals for such changes to fuel duty.

Justine Greening: I shall be delighted to. If my memory serves me correctly, it was on 15 May, at the end of the seventh sitting. I spoke very empathetically about the proposal, but said that we could not support it. In fact I was so empathetic that the right hon. Lady's colleague, the Exchequer Secretary to the Treasury, said that I was supporting it, so she obviously thought that I saw some merit in the idea then.

Yvette Cooper: It is funny that the Opposition just forgot to vote when they had a chance to, when the proposal was put before the House.

I have been given the report of proceedings in the Finance Bill Committee when this matter was discussed. When the Exchequer Secretary said that the hon. Lady seemed to be supporting that proposal, she responded:

> "I just wanted to correct the Minister. Just before we adjourned after the morning sitting, she said that I had supported the new clause, but in fact I said that we did not."—[*Official Report, Finance Public Bill Committee,* 15 May 2008; c. 244.]

The hon. Lady clearly did not, as of a few weeks ago, support this kind of stabiliser. I am happy to give way to her again if she wants to clarify the position.

Justine Greening: There is nothing particularly stunning about the fact that we saw a lot of merit in the fact that the Scottish nationalists were trying to tackle the underlying problem of a volatile oil price and its effect on fuel costs, but we felt that the particular way in which they were doing it would not quite work. There is nothing cynical about that, or complex; it is just that Ministers have such weak arguments that they now have to resort to picking out phrases and taking them entirely out of context.

Yvette Cooper: I notice that later in the debate, when talking about the suggestion that the hon. Member for Dundee, East (Stewart Hosie) had made to deal with the price rises, the hon. Lady said:

> "I must say that it is not one that I agree with."—[*Official Report, Finance Public Bill Committee*, 15 May 2008; c. 236.]

I look forward later in today's debate to hearing her explain quite why the technicalities of the hon. Gentleman's proposals were not workable, but that her own proposals are.

I come now to the workability, or practicality, of the proposals of the hon. Member for Runnymede and Weybridge (Mr. Hammond). The Opposition say that if their proposals had operated since the Budget, fuel duty would be 5p lower today. Their proposal is effectively for a 1p change in duty for every $6 change in the price of a barrel of oil. That would certainly keep Her Majesty's Revenue and Customs, and the industry, busy. Over a quarter of a year, we have seen not simply a $6 variation in the price of oil, but a $60 variation. On 6 June, oil prices rose by $10 in a single day. Yesterday they fell by $10 in the space of several hours, ending the day $6 down.

Under the hon. Gentleman's proposals, therefore, fuel duty would have gone up by 1p yesterday alone. If fuel duty changed every time oil prices varied by more than $6 from the Budget forecast, rates would have changed more than 25 times just since the Budget 18 weeks ago: down on 18 March, up again on 19 March; down on 26 March, up again on 31 March; down on 2 April, down on 9 and 18 April. In one week in May, duty would have changed four times in a week: up, down, up, down. This is not a fuel duty stabiliser; this is a fuel duty yo-yo. Oil prices are now not only high, they are very volatile, and right now some of that volatility is absorbed by the private sector, as it does not reflect every change in the price at the pump, but that would not be the case under the hon. Gentleman's plans. Under his proposals the Government and the taxpayer, rather than the industry, would take the risk and pay the price of smoothing the figures on the forecourts. Ever-changing rates would cause complexity for oil producers and tax collectors, and be confusing.

Rob Marris: May I also point out that the Conservative party's proposal lacks intellectual bravery? If it was intellectually brave about this, rather than putting forward a mechanism that would see the pump price rise by only half the increase in the oil price, if it arranged its figures differently it could stabilise the price completely, but it is not prepared to do that, because it realises that it would be unworkable. One of the Conservatives' five principles is for certainty, but even under their own mechanism there will not be certainty of pump prices.

Yvette Cooper: My hon. Friend is right. In the end, the point is that when setting fuel duty, it is right to look at what is happening in the markets—at oil prices and at the prices at the pump. That is why we have decided not to go ahead with the increase in fuel duty in the autumn. It is also right to look at the impact on public finances and at what is practical and workable. That is where the Conservative proposals repeatedly fall down.

I now turn to what the impact of such a proposal would be not only on the public finances but on other tax and spending plans. The hon. Member for Runnymede and Weybridge claimed that the Budget forecasts would remain unchanged by the proposal. That claim is simply irresponsible. The proposal claims that windfalls from certain taxes would pay for the Conservatives' plans. Their figures take account of increased VAT from higher petrol prices and of higher North sea oil revenues, but they ignore the fact that fuel duty revenues are likely to fall, not increase, when petrol prices rise, as demand for fuel falls. They ignore the fact that people spending more on fuel will spend less elsewhere, reducing VAT revenues from elsewhere in the economy. They ignore factors such as production levels, capital and operating costs and the strength of sterling.

Stewart Hosie *rose*—

Mr. Philip Hammond *rose*—

Yvette Cooper: I have to choose between giving way to an hon. Member from the party that tabled the motion and giving way to one from the party that was really responsible for the original proposal. I give way first to the hon. Gentleman from the Scottish National party.

Stewart Hosie: The choice is difficult, I know. I want to bring the Minister back to what she just said about revenue falling as the price rises. Will she look at the Government's own figures from the Department for Business, Enterprise and Regulatory Reform? They show that during the first three quarters of 2007, there was a net rise in the fuel price and a massive rise in the diesel price. Notwithstanding the change from petrol to diesel, and that kind of stuff, the figures show that despite a rise in price from 92p a litre to 97p a litre—a 5 per cent.-plus rise in nine months, more than twice the rate of inflation—net demand increased. I do not believe that the Minister's assertion is right.

Yvette Cooper: When prices rise, particularly the price of things such as fuel, there will be a series of different impacts. Some people may drive less or consume less fuel. Others will spend less on other things, because in the end their spending will be limited.

Mr. Hammond: I am grateful to the right hon. Lady for giving way to me. The National Institute of Economic and Social Research report, on which our policy is based, assesses the net impact on Government revenues after taking into account all those factors. The people at the institute are not undergraduate economists; they understand the point that she is making and they have taken all those factors into account. Can the Minister say which independent research she is citing when she says that we are wrong, and that revenues will fall when oil prices rise?

Yvette Cooper: Let me tell the hon. Gentleman some of the factors that the National Institute of Economic and Social Research does not take into account in its analysis. It does not, for example, take into account factors such as production levels, capital and operating costs, or the strength of sterling, all of which impact on North sea oil revenues and all of which have meant that those revenues have increased by less than we might have expected in recent years, given the rising oil price. The institute ignores the fact that rising oil prices can, through utility bills as well as fuel bills, affect inflation.

That, in turn, raises tax allowances, reducing revenues, and increases spending on benefits linked to inflation. It is also important to include the impact of higher oil prices on companies' profits, and therefore on the tax that they pay.

Let me quote someone whom I could not remotely describe as a competitor for the institute. He said:

> "To be fair to the Government, when the price of oil goes up, corporation tax profits tend to go down, so corporation tax goes down and they suffer in other ways."

That was the hon. Gentleman's boss and party leader at the beginning of this month, before the Conservative party put forward its proposals. The Institute for Fiscal Studies has said:

> "Taking all factors together, it is far from clear that there will be a net gain to the public finances from the higher oil price."

Perhaps most significant of all is the fact that the model used by the National Institute of Economic and Social Research depends on all other things being equal—whereas in fact, there is not only an increase in world oil prices, but an increase in world food prices and a global credit crunch, and they are all taking place at the same time. All those things will have an impact on the public finances. In the face of a world slowdown, to take any one tax in isolation and claim that there is a windfall available to spend is economically illiterate, irresponsible or just disingenuous. The Conservatives' proposals would have already cost an extra £900 million since the Budget, and would mean an estimated extra cost of more than £2.5 billion, to be paid for by additional borrowing, public spending cuts or tax increases elsewhere. Yesterday morning, the shadow Chief Secretary's leader said that he would back our spending plans, cut stamp duty and introduce his fuel duty measures. In the space of a three-minute interview, he promised an extra £3 billion that he could not fund.

Mr. Hammond *rose*—

Yvette Cooper: I will give way to the hon. Gentleman if he will tell us where that £3 billion would come from.

Mr. Hammond: I might engage with the Chief Secretary on that when she has told me where the Crewe and Nantwich £2.7 billion came from.

The right hon. Lady has changed tack in the past minute and a half, so I would like to be clear about her argument. Is she now conceding that an oil price increase taken in isolation, with a shock to the economic model, produces a net increase in Government revenues after taking into account all the effects across the economy?

Yvette Cooper: No; the hon. Gentleman is talking nonsense. We have always been clear that there will be increases in some taxes but reductions in revenue from others as a result of factors such as an oil price increase. For example, there will be increases in the amount that needs to be spent on benefits as a result of rising inflation, which is in itself linked to rising oil prices. In addition to those factors, there are other pressures on the economy that responsible Governments need to take seriously when they take decisions on the public finances.

Mr. Kenneth Clarke *rose*—

Yvette Cooper: I will give way once more, but I have done so many times and I want to make final progress towards the end of my speech.

Mr. Clarke: Well, I will make one final effort. Does the Chief Secretary really think that a Minister addressing the House of Commons should go into such copious detail about the likely impact on revenues and the economy of an Opposition proposal but refuse to give any information at all about a decision announced by the Chancellor of the Exchequer this morning? Corrections to the last Budget have already cost more than £3 billion in estimated revenues, and the forecasts of revenues from corporation tax and elsewhere given at the last Budget are plainly over-optimistic when one sees where the economy is going. It is no good her saying that every time the Government have changed their mind in the past they have not given those details, and we have had to wait until November. Will she address the question of where we are with the Government finances, and whether the Chancellor is planning to raise other taxes, reduce public spending or simply allow public borrowing to let rip?

Yvette Cooper: The right hon. and learned Gentleman is long enough in the tooth and has been long enough in the Treasury to know that, as always, we set out the forecast for the public finances at the time of the Budget and at the time of the pre-Budget report. Unusually, we said when we announced the additional increase in tax allowances that we would increase borrowing this year to pay for it. It is right to do that, given the pressures that the economy is under. We therefore set that out, in contrast to the Conservatives, who repeatedly set out policies that would result in huge additional costs yet never tell us where those funds would come from. This is not merely about the £3 billion of additional costs that the right hon. Member for Witney (Mr. Cameron) mentioned in the "Today" programme interview. Little wonder that he also said that he could not rule out tax increases, as he knows that he would need them to pay for his fuel duty plans. The results of the Conservatives' Finance Bill votes alone would cost an extra £3 billion, but they never said how they would fund them. Their promises on Budget day would cost an extra £5.4 billion, but they never said how they would fund them. Their promises throughout the autumn would cost an extra £10 billion, but they never said how they would fund them. At the last election, they promised more than £35 billion in spending increases and tax cuts, but never said how they would fund that.

The Conservative motion is simply a con. Far from helping hard-pressed families, all that the Conservatives would do is push up their taxes elsewhere. Far from facing up to the serious problems of rising world food prices, they simply hide behind gimmicks, which would risk destabilising the public finances and the economy. Once again, we get showmanship, not substance. That is not what families or the economy need. That is why we should reject the motion.

5.10 pm

Dr. Vincent Cable (Twickenham) (LD): I welcome the debate, partly because it gives us an opportunity to reflect on the statement that the Government made this morning. I do not know whether the decision was made

[Dr. Vincent Cable]

because of the by-election or because of general political panic, but it was not a coherent policy statement and it does not give us key information, as the right hon. and learned Member for Rushcliffe (Mr. Clarke) pointed out.

The debate also gives us an opportunity to review the SNP-Conservative proposal—we should call it the Salmond-Osborne plan and give credit for authorship where it is due. I remember that several years ago, before the hon. Member for Dundee, East (Stewart Hosie) came on the scene, the right hon. Member for Banff and Buchan (Mr. Salmond) set out the bones of the proposal. Although I do not necessarily agree with it, I want to award it proper authorship, and the "Salmond" comes before the "Osborne" in the description of the plan.

There is some common ground in the debate: everyone accepts that higher fuel prices have caused hardship and that it would be desirable, if possible, to find some way of alleviating the impact on motorists.

Nigel Griffiths *rose*—

Mr. Alan Reid (Argyll and Bute) (LD) *rose*—

Dr. Cable: Let me finish my point and then I will take interventions.

We are especially concerned about the impact on people in rural areas, particularly remote rural areas, who do not have the alternative of public transport. If there were an intervention at this stage to help to alleviate the burden and share the pain, a targeting method would be better, examining differential duties in remote rural and in urban areas.

Mr. Reid: My hon. Friend has pre-empted my intervention. I support his comments that remote rural areas need a rural fuel discount. For example, the cost of unleaded petrol on Port Ellen on the Isle of Islay is 15p more than at Glasgow airport. That shows the effect of the higher cost of fuel on the islands and the damaging effect on the economy. I am therefore pleased that my hon. Friend supports the rural fuel discount plan that we proposed on Report of the Finance Bill.

Dr. Cable: I thank my hon. Friend for that intervention and I am happy to take one from another remote rural area—Edinburgh, South.

Nigel Griffiths: The hon. Member and I have corresponded on the issue. Two years ago, the hon. Member for Argyll and Bute (Mr. Reid) called for a spending commitment to reduce tax on petrol and diesel in rural filling stations. He has long campaigned on that. The hon. Member for Twickenham (Dr. Cable) wrote back: "Alan was not, of course, advancing official policy. We are certainly looking at the implications of the recent European derogation of petrol duty to see if we can adopt it as policy". In those two years, what conclusions has he reached?

Dr. Cable: We have found that the policy is feasible in practice and entirely sensible and right. My hon. Friend the Member for Argyll and Bute (Mr. Reid) is right to have persisted with the matter. It can be financed by cross-subsidy or a small subsidy in relation to the sums of money that we are discussing today. I therefore endorse the policy, on which we have voted.

Let me try to work systematically through the Conservative motion. It gets off to a slightly odd start because it states that diesel duties in the UK are higher than anywhere else in Europe. First, that is not true—Norway has higher diesel duties, but that is by the by.

Stewart Hosie: What about Germany?

Dr. Cable: Let me finish the argument and then I will take an intervention. It is odd that the hon. Member for Runnymede and Weybridge (Mr. Hammond) spoke for half an hour but did not deal with the practical problems that arise from the fact that the UK has exceptionally high diesel duty. There is a policy problem because we know that large-scale tax arbitrage—in other words, smuggling—takes place, and there are practical proposals to deal with that, whether through the original Britdisc scheme or some cruder system of taxing European vehicles at the points of entry and exit to account for road use. We should be discussing that because there is a genuine problem in that the current policy—or lack thereof—results in a substantial leakage of revenue. It is a pity that we did not go further into the subject of diesel.

Sammy Wilson: Does the hon. Gentleman recognise that the leakage to which he refers is particularly severe in Northern Ireland, because of the differences in duty between the Irish Republic and Northern Ireland? Indeed, those differences have led to large-scale operations by gangsters, who take hundreds of millions of pounds out of the economy every year through fuel smuggling.

Dr. Cable: Yes, I realise that Northern Ireland has special problems because it has a land border. Any system to counteract smuggling is bound to face difficulties because of the small rural roads that exist across Northern Ireland. None the less, we need to stop that large leakage of revenue, which also does great damage to the British road haulage industry.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): My hon. Friend mentioned the Britdisc, which the Government abandoned. Does he think that road pricing for hauliers would be one way of ensuring that foreign lorries paid the same as lorries from this country and removing unfair competition from overseas lorries, which currently rely on cheaper fuel to take trade away from British hauliers?

Dr. Cable: That would be one way. Another way would be to check mileage at the points of entry and exit, and to charge a duty accordingly. There are various ways of dealing with the problem; I am simply surprised that we did not deal with it in the earlier exchange.

The other odd thing about the motion is that it singles out diesel, because of the exceptional rate of British duty. Given that this debate has been overwhelmingly about petrol, I am surprised that there have been no references to differential rates in petrol. As it happens, Britain has, I think, the eighth highest petrol duties—it is mid-table, according to the Automobile Association.

Germany, Belgium and Italy have higher petrol duty than the UK, as a result of the various postponements to which the Ministers referred. By far the highest rate is that in Norway.

Norway is an interesting example. The Conservative spokesman said that Britain was in the unique position of being an oil producer that also consumed a great deal of oil. Britain is not unique, because there is another European country with those characteristics. There is a question to be asked of the Norwegians, but to which I do not know the answer—perhaps we should have a charter flight to Norway with the SNP and the Conservatives; I would be happy to go as an observer—as to why they do that. I suspect that one of the reasons is that the Norwegians are conscious, in a way that we perhaps are not—and as the Conservatives certainly are not—that oil is a valuable resource that needs to be conserved. The Norwegians use their tax policy to that end. We should therefore perhaps not be too flippant in dismissing that important history.

Rob Marris: In defence of the hon. Member for Runnymede and Weybridge (Mr. Hammond), I listened to him very carefully, and he said that we were in an "almost unique" position. I have spent a number of years in Canada, and it strikes me that, as well as Norway, to which the hon. Gentleman is referring, Canada is a major oil producer and a major western country. Indeed, it is a member of the G7. That is one of the reasons why I asked the hon. Member for Runnymede and Weybridge whether he was aware of any other country that had introduced a so-called stabiliser.

Dr. Cable: Indeed, Canada is another country that is both conscious of the environmental impacts and the need to conserve its valuable resources.

Mr. Philip Hammond: I am delighted and grateful that the hon. Member for Wolverhampton, South-West (Rob Marris) sprang to my defence. I made the reference twice: on the first occasion I referred to Britain being unique among EU countries, and on the second occasion I said it was almost unique among industrialised countries. From the comments that the hon. Gentleman has just made, it appears that he thinks the policy proposal that we have put forward applies only to petrol. It applies to fuel—it applies to diesel, as well as to petrol. I want to be absolutely clear about that.

Dr. Cable: That is very helpful. I thank the hon. Gentleman for that clarification and I acknowledge his point. The motion does not deal with differential rates; in fact, I think it would make that problem rather more complicated. None the less, I take his point and I am sure that it has been noted.

Let me move on to a second point in the Conservatives' motion, which accuses the Government of dithering. They obviously like that word, because we keep hearing it—I know that it rhymes with "wuthering", which makes quite a good joke. However, if I were trying to develop a serious critique of Government tax policy, I am not sure that "dithering" is the word that I would use. After all, the main criticism is not that the Government have dithered, but that they keep rushing in with not very well thought out proposals—capital gains tax, non-dom tax and inheritance tax come to mind. "Dithering" is perhaps not the proper criticism.

Perhaps, however, I could make a case for dithering. There is an argument for dithering in a case such as this. We do not know what the oil price will be in the autumn, and we have no idea what the revenue position will be. It has been rather embarrassingly exposed that the Government have not even made any preliminary estimates of that. Surely it would be sensible to wait until the autumn before rushing into a decision on fuel duty—

Mr. Hammond: There is a by-election.

Dr. Cable: Indeed there is a by-election.

There is a sensible economic case, if not a political one, for waiting and not rushing into this decision. As I understand it, the problem has arisen entirely because of the way the Government have subordinated their tax policy to our rather peculiar definitions of recess. They have had to make their announcement now because they had committed themselves to a policy change on 1 October. Had they said in the spring Budget that the decision would be made in mid-October, we would not have had this problem and the Government would have given themselves the freedom to make a much more considered, balanced and sensible decision than the one that they have been rushed into.

Mr. Hammond: On a point of information, the Prime Minister's spokesman said on the record a couple of weeks ago—I have the quote somewhere among my papers—that there was no requirement for an announcement on the postponement of the duty increase to be made while Parliament was sitting, and indeed stated explicitly that such an announcement could be made during the parliamentary recess.

Dr. Cable: That is very helpful, because I have been taken to task for saying exactly that. I am glad to get a bit of support, for once, from that side.

Mrs. Maria Miller (Basingstoke) (Con) *rose*—

Dr. Cable: I will take one more intervention, and then I will plough on.

Mrs. Miller: In telling the House why the Government might do better to dither, is the hon. Gentleman saying that the Liberals want to see the 2p tax rise happening in the autumn? Would he want businesses and families face to uncertainty over that tax rise throughout the summer?

Dr. Cable: I did not say that at all. I said I would very much like to wait and see what the position was in the autumn. If oil prices are indeed going through the roof and—who knows?—if there is an invasion of Iran and prices are completely out of control, people will obviously expect the Government to take compassionate remedial action to protect households. That would be entirely understandable. However, oil prices might well go the other way. Nor do we know how serious the impact of the decision on Government revenue will be. I am not making an argument for pressing ahead with the decision today. All I am asking is that we get a considered judgment, when we know what the Government revenue position is—which we do not at the moment.

Stewart Hosie: We do know that oil prices are going through the roof. We know that the price at the pump is going through the roof, with half the 35p rise last year happening between mid-April and mid-June. We also know that many of the hauliers who were here protesting two weeks ago told us that they will not be in business by the time of the pre-Budget statement. I believe in evidence-based policy making, and surely we now have enough evidence to say that the Government should have not only postponed the 2p rise but introduced measures to help people much earlier than they have done.

Dr. Cable: I am all for introducing measures to help if they are practical and affordable. However, I think the hon. Gentleman's view of the oil market, which I know he has thought about, is based on the assumption that there is a spike, and that we need to deal with spikes. That might be true; I do not know. Certainly, my years in the oil industry have led me to believe that these things are very difficult to predict. I am therefore not as comfortable as he is that this is simply a temporary spike that needs to be dealt with on that basis. However, I totally accept his point that there is hardship and that road hauliers have a genuine problem, and of course we need to consider measures to help them, which is why we have focused on rural areas.

As I have had various helpful interventions from the Conservatives, I shall now turn to their own proposals and the consultative document that they have put forward. This might produce some less friendly interventions. Underlying their proposal is an assumption that it would be sensible to pool oil revenues from one sector of the economy. Their basic underlying idea is that we should have upstream oil windfall taxes and taxes on the product, and that these should be pooled and evened out. I do not understand why that should be the case. Other sectors of the economy have different streams of revenue that we would never dream of pooling in that way. For example, council tax is going up and stamp duty is going down, but we do not argue that we need a property tax regulator. It would be a strange economic arrangement if we were to have such a thing.

Mr. Hammond: I think the hon. Gentleman is suggesting some philosophical or moral reason for linking the two, but I do not believe that at all. It is simply a practical observation that there is a linkage in that when oil prices are rising, the Government inevitably and necessarily achieve a windfall—from corporate taxes, petroleum revenue tax, North sea production and so forth. It thus provides a pool of revenue that always rises when the international price of oil rises. That is what enables this offsetting mechanism to be introduced.

Dr. Cable: I am trying to be not philosophical but practical in asking why this should be pooled with other sources of oil revenue. One of the reasons I ask the question, which concerns the silo approach to taxation, is that a few weeks ago the hon. Gentleman's colleagues produced a paper on the cost of living that had a different silo and a different box, whereby environmental taxes went into something called a family fund. There is a perfectly good reason for pairing the two, and we believe that environmental taxes should be offset with income tax. Three weeks ago, we heard the argument that green taxes, including taxes on fuel, should be put into a box and offset against income tax, but now we hear the argument that they should be put in a separate box and offset against upstream oil tax. Quite where this comes from—other than the fact that it makes a neat fit at a particular point in time—is difficult to say.

Let us pursue the Conservative argument. The case is that there is a real windfall of revenue from the upstream oil sector. The Conservatives may well be right: we heard the argument last week; they have gone through a model and it is creditable that they have done their homework to that extent. The Government have a different model and have reached a different outcome, and they should perhaps tell us what it is and publish it. I am willing to accept, however, that the hon. Member for Runnymede and Weybridge may be right and that the Conservative model is better than the Government's model. I do not know, but let us assume for the moment that it is and that there is a real windfall here. If we really have a windfall from North sea oil revenue, the question that arises is what is the most sensible way of using it.

Over the past few weeks, I have been going round the media studios, following or leading the hon. Member for Runnymede and Weybridge. Whenever I listen to his interviews, I always hear his phrase about a "hole in the roof". If there is such a hole in the Government finances, surely that should be the first priority for any windfall gains. That is what most oil-producing countries would do: if they have a windfall in oil revenue from their upstream producers, they put it into a separate sterilised fund in order to stabilise public finances. Surely that is what is required. It should be used either to reduce Government borrowing this year or to pay off Government debt. Either the Conservatives do not believe their own propaganda about holes in the roof or they are not taking it very seriously.

Mr. Hammond: But surely the hon. Gentleman would acknowledge that holes in the roof need to be fixed while the sun is shining. Surely he is not advocating pro-cyclical fiscal policy.

Dr. Cable: In terms of oil revenue, I would have thought that the sun was shining. Is that not the whole point? The sun is shining on the North sea, so should not any extra revenue be used to stabilise public finances? I find it difficult to understand why the Conservatives would not give priority to that. I am trying to be sympathetic and to understand their argument. They seem to be saying that fixing the hole in the roof has to wait because there is such pain about and families need to be helped. I understand that argument. They want to introduce some mechanism that spares the pain for families by ensuring that taxation reflects the deteriorating conditions in the economy.

It is fair to say that a lot of taxation operates on that principle. Income tax goes down if incomes go down, with people moving to a lower income tax bracket. Stamp duty goes down if house prices go down, and people move into a lower bracket. The posh term for this is "automatic stabilisers" and I think that what the Conservatives are trying to do is to turn petrol duty into an automatic stabiliser. There is nothing fundamentally wrong with that, except that what happens with automatic stabilisers is that the revenue is much less predictable and that with a downturn in the economy, the deficits are much bigger.

In the autumn, we will have a test of the sincerity of this conviction, as the Government are going to face the House with some truly awful deficit figures for this financial year. I am fully confident of that. The hon. Members for Runnymede and Weybridge and for Tatton (Mr. Osborne) might jump up and say, "Well done, Government. You're applying your automatic stabilisers. Income tax revenue and petrol duty revenue are going down, and you're sharing the pain with the public," but somehow I do not think that that will happen. I think we will get a lecture on financial discipline, lack of control and excessive borrowing requirements. We will wait and see how that argument develops.

I have read the Conservatives' paper, but I may have misunderstood it as it is complicated. They make certain assumptions about the oil price. The hon. Member for Runnymede and Weybridge corrected me a few moments ago, as I had understood them to be saying that they take a price, which happens to be the price that the Government assume in their pre-Budget forecast, and if the price rises above that level, duty is reduced; and if it falls below it, duty is increased. That produces a revenue-neutral process. It is based on the assumption that oil prices go in cycles. We know that that is probably not the case, and that is what worries me about the proposals.

We have no idea what will happen to oil prices in the course of the year. Just notionally, I got one of my team to run the Conservative proposals through a little computer model to work out what the impact would be if, later this year, the oil price reached $200 a barrel. I am happy to pat that across as part of the Conservatives' consultation exercise. Effectively, they would be running a deficit of £10 billion a year on that aspect of their policies. The assumptions that one makes about the base oil price are fundamental to the revenue projections that the Government assume. The Conservatives might stabilise the impact on families, up to a point, but the proposals would import to the tax system a great deal of revenue instability.

Mr. Hammond: I have had an exchange of notes with the hon. Member for Wolverhampton, South-West on exactly the same point while the hon. Gentleman has been speaking. He appears to be under the impression that the offsetting factor is the increase in duty in the future when oil prices go down, but the offsetting factor is the increase in Government revenues in the same time segment as a result of high market oil prices, which enable the Government to offset a decrease in fuel duty at the pumps—not between one period and another, but in the same period.

Dr. Cable: I thank the hon. Gentleman for the clarification. I may have misunderstood as a result of trying to reverse-engineer what the Conservatives are proposing, but I think that what he is now suggesting meets my objection. However, it creates an entirely different problem: petrol duty would have to be set in response to the predictions of the economic model in relation to the net windfall, which is an even more complicated exercise. May I suggest that there might not be any net windfall at all? The proposal would make tax policy unbelievably complicated and unpredictable, and in view of the Conservatives' long-term commitment to tax simplification I am surprised that they are proceeding with it with such enthusiasm.

Pete Wishart: We know that the hon. Gentleman does not like the idea of a regulator, a stabiliser or whatever. What would the Liberals do, therefore, to help the hard-pressed motorist? I do not know whether he has been to Glasgow, but the one thing that is consistent on the street is unhappiness with high fuel prices. Would the Liberals do anything about that?

Dr. Cable: I have indeed been to Glasgow and I spent the earlier part of my speech suggesting that there are measures that could be taken. I realise that Glasgow, East is not a remote rural area—I am particularly conscious of that, having lived in the city—but I suggest that we move to a more appropriate system of vehicle taxation. We have vehicle excise duty, which is a blunt way to tax motorists and bears little relation to environmental impact, and we have fuel duty. If we were able to move quickly to a road user pricing system that properly captured the environmental costs of congestion, that would be a much more attractive long-term option for people in Glasgow, East and everywhere else.

Mr. David Chaytor (Bury, North) (Lab): On that very point, the hon. Gentleman has moved his party's policy along considerably in the past two weeks. Two weeks ago, he was opposing the graduated vehicle excise duty on the existing fleet but supporting it on new vehicles. Today, he is proposing abolishing it on new vehicles. As for using road pricing only on motorways and trunk roads, has he thought through the impact of congestion and pollution on all other roads in rural areas and in urban and suburban areas?

Dr. Cable: As we have the vehicle excise duty system, and parking charge systems in certain cities, it seems entirely sensible that an environmental component ought to be built in where possible. My colleagues and I are arguing that in the longer term we move over to a system that more accurately reflects pollution costs, congestion costs and road use. It is a question of time periods. Given that we have the VED system, I have been happy to defend, and have voted for, a wider differential on new vehicles.

Mr. Chaytor: But surely that would not send the signals for demand reduction that my right hon. Friend the Chief Secretary mentioned earlier. For those who drive gas guzzlers, the signals that it sends are that as long as they stay off the motorways and trunk roads, they can drive as much as they want, in whatever vehicle they want, and the emissions of their vehicle are irrelevant. It is a blank cheque for Chelsea tractors in suburban areas.

Dr. Cable: In the longer term, a combination of road pricing and fuel duty will be needed. Essentially, however, one is taxing use, and those who drive vehicles that are prodigious consumers of fuels would pay relatively more.

Rob Marris: I want to draw the hon. Gentleman back to the motion and his critique of the Conservative proposals. Does it strike him, as it does me, that the proposals would be incredibly complex? Either we would have changing prices at the pumps every day, or we would be trying to predict what the price of oil might be in a week, a month or whatever the time frame was for

[Rob Marris]

the change due to the so-called stabilisation. Not only would it be a burden on business to keep adjusting to that, but motorists would start second-guessing, saying, "I might not fill up my tank today; I'll fill it up tomorrow, because it might change again."

That would throw out the modelling completely again. Is the system not far too complex?

Dr. Cable: To be fair, I had a long discussion with the SNP, and its argument—I do not know whether the Conservatives have carried it forward—is that the adjustment would be every six months. That is the proposal as I understand it. One criticism concerns how on earth the windfall would be worked out, given the complex modelling problem. But it is fair to say that the proposal is not to change the duty every day.

Another aspect of the potential problems arising from an SNP-Conservative approach to oil taxation is that they have different agendas. If I understand Scottish nationalism sufficiently, it seems the idea is not to use oil revenues to keep down petrol prices in Runnymede, Tatton or Twickenham. I think that the scenario goes rather differently: some time in 2010, perhaps there is a change of Government—who knows?—but there are not many Conservative MPs elected, and they say, "There is no legitimacy; let's have a plebiscite." They vote to go their separate ways, and the revenue gets no further south than Edinburgh.

The question of where the revenue goes is to be resolved. I suspect that the unfortunate consequence of borrowing a Scottish nationalist policy is that the Conservatives find that the windfall on which their economic policy is predicated might not exist in two years' time. I do not want to anticipate interesting scenarios about British politics; I will leave that to them.

Several hon. Members *rose*—

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I remind the House that a 10-minute limit on Back-Bench speeches applies from now.

5.38 pm

Dr. Stephen Ladyman (South Thanet) (Lab): I enjoyed the speech of the hon. Member for Twickenham (Dr. Cable), who made some important points. I will return to a couple of them.

One of the hon. Gentleman's points was particularly well made: those of us who feel that the way that motorists are taxed must change should ensure that we are not double accounting in relation to where the money comes from and goes to. If one revenue is to offset a tax, we must ensure that we are not offsetting in two different places. It is clear to me from the Conservatives' recent announcements that they are doing precisely that. As the hon. Gentleman pointed out, their family-friendly proposal is that fuel duties should be put into a pot to offset income tax and be treated as green taxes. However, they are also talking about offsetting those same revenues against motoring taxes. That is clearly double accounting and it does not stack up.

I am not going to attack the principle of what the Conservatives propose because, as I said in an intervention, I proposed something similar in an article on the Progress website. I would claim that they have nicked my policy rather than that of the Scottish nationalists. However, whether it is the SNP's policy or my policy that has been stolen, the only added value that we have had from the Conservatives is that they spent the past three weeks with a thesaurus, coming up with a different word to describe the policy.

Mr. Philip Hammond: I am not sure to what extent it applies to the hon. Gentleman's policy, but it certainly applies to the SNP policy, now that I have had a chance to read its proposal. Let me make it clear: the problem is that it relied on the concept of a windfall from VAT. I acknowledged in response to an earlier intervention that there is, broadly speaking, no windfall from VAT.

Dr. Ladyman: I agree. I do not think that a fuel duty moderator can work if all we are talking about is offsetting VAT increases. We have to look at the whole package of revenues and taxes that motorists are paying if it is to make sense.

Stewart Hosie: For the avoidance of doubt, while the value of the offset was the element of the increase that was accounted for by VAT, I made it perfectly clear in my speech two weeks ago that we were talking about the North sea windfall, which was confirmed in the letter from the Chancellor to my right hon. Friend the Member for Banff and Buchan (Mr. Salmond) only a week before that.

Dr. Ladyman: I am grateful to the hon. Gentleman for clarifying that. If this sort of fuel duty moderator is to work, it has to cover the whole package of revenues for which the Government have to account.

My right hon. Friend the Chief Secretary and her boss the Chancellor have a far more difficult job to do than the Opposition suggest. They have to be responsible for ensuring that there is no black hole in our revenues and that all the Government's spending commitments are fully funded. I point out to the hon. Member for Runnymede and Weybridge (Mr. Hammond) that the Conservatives have a proposal whereby they will stick by our total spending plans. They are not committed to spending the money in the same way, but they are committed to spending the same amount, which means that they also have to be committed to raising the same amount. They cannot offer tax cuts here and there without creating a black hole in their spending plans.

The criticism I would make of the Conservative proposal is that I do not think that the Conservatives have looked at the totality of the package of changes that would have to be made, and I modestly suggest that I tried to do that in my article. Several different changes would have to be made to achieve the green agenda of the Government and other changes. The inspiration for my article came from some of the think tanks that I believe the hon. Gentleman mentioned. I do not believe that what I call the fuel duty moderator was a novel idea. Other people have thought about it as well.

What I would say to the House is that we already have a fuel duty moderator. We have seen it work today. It is called the Chancellor's judgment. What he does every so often, and what the two Chancellors have done

11 times since 1997, is to look at the net revenues coming in and the pain or otherwise being felt in the economy and make a judgment about whether fuel duty is going to go up or not. What Chancellors do when they make that judgment is look back at the levels of revenue that the Government are receiving from all the different sources and all the complexities of the economy—whether the money is coming from VAT, North sea oil revenue, corporation tax, income tax or all the other things that are happening in the economy at the same time. They then make a judgment on whether the country can afford, or needs, a fuel duty rise. They have made that judgment today, so we can have a fuel duty moderator, but I would not necessarily recommend a formulaic fuel duty moderator such as the one proposed by the Conservatives.

I had not appreciated that the Conservatives were suggesting that their calculation would be made only every six months. My view was that the Chancellor should make a judgment about once every quarter, and should then compare his revenue stream at that point with the predictions in his Budget. If the revenue stream is in excess of his predictions, he should be able to make a change in fuel duty. Why do I consider that necessary?

Mr. Jeremy Browne: Will the hon. Gentleman give way?

Dr. Ladyman: Let me make a little progress. One reason why I consider it necessary is that there are 23 million motorists out there who clearly feel that the net package of taxation that they are having to pay is unfair and, as a proportion of taxation as a whole, places too great a burden on their shoulders. I believe that we need to get those 23 million motorists on side with our green agenda, because otherwise we will never be able to drive down carbon emissions from fuel-powered transport. That is why I believe that we must put together a package of measures that will make motorists instinctively feel that the taxation system is a bit fairer than it is today.

Mr. Philip Hammond: I fear that the hon. Gentleman is falling into the trap that he wrongly accused me of falling into earlier. He suggests that the Chancellor could assess revenue outturns in what the hon. Member for Twickenham (Dr. Cable) describes as a silo. However, we have explicitly recognised that the impact will affect more than just oil revenues, which is what the National Institute of Economic and Social Research model suggests. The Chancellor will not be able to make his assessment quite as easily as the hon. Gentleman is suggesting.

Dr. Ladyman: What I am suggesting is that the Chancellor should look at the totality of the economy every three months and decide whether fuel duty could be changed. We have set out the rules.

Mr. Jeremy Browne: Will the hon. Gentleman give way?

Dr. Ladyman: I need to make a little progress. I have only four minutes left, and no more injury time.

A critical aspect that has not been mentioned so far, although I think the hon. Member for Twickenham touched on it, is the freight industry. Although our petrol is far from the most expensive in Europe—I think we are now seventh or eighth on the list—because we charge the same duty for diesel as for petrol, we have the highest diesel prices in Europe. People are coming into our country in lorries and stealing work from United Kingdom hauliers.

According to a haulier who was involved in the fuel duty lobby the other week and whom I arranged to meet along with one of the Transport Ministers, between January and June 2007 the fuel bill for Les Knight Transport Ltd, which has a fleet of about 20 heavy goods vehicles, was £390,000. The bill for the same period this year was £484,000. That amounts to an increase of £94,000 so far this year. I asked how much of it the firm had been able to pass on to its customers. A fuel duty escalator is built into its contracts so that it can pass on some of the price, but so far it has only managed to get its customers to pay an extra £34,000. So far, £60,000 of extra cost has been imposed on the business in this year alone. No business could sustain that for long, and British hauliers will not be able to sustain it for long. I accept that that their social costs are lower, but we need to find a way of adjusting the balance on behalf of the haulage industry. Whether that is done through an essential user rebate—which is what it is asking for, but which seems to me to be a rather complicated mechanism—or a reduction in excise duty on heavy goods vehicles, we have to do something and do it fairly rapidly.

I have been arguing that we should re-open the case for the vignette. The hon. Member for Twickenham suggested that we should just charge people coming into the country, but that would be against EU law. We would have to have a simple vignette system that everyone—British hauliers as well as foreign hauliers—has to buy. A foreign haulier would, of course, buy it at the day rate, and the British haulier would buy it at a discounted annual rate, but what is important is that the revenue from that system would be used to offset UK excise duty on heavy goods vehicles. That would be a perfectly legal system under EU law, and it would be zero-cost to the Treasury and provide a considerable competitive rebalancing for the heavy goods vehicle industry.

The Government were considering that idea. They decided not to look into it any further in the Budget, but that was before the current huge oil price rise. I suggest that one of the things my right hon. Friend the Chief Secretary could do is take that file out again and have another look at it with the eye of a politician, and see if it might provide her with the mechanism we need to make the UK HGV industry a bit more competitive.

5.51 pm

John Howell (Henley) (Con): Thank you, Mr. Deputy Speaker, for giving me the opportunity to make my maiden speech. The pressure to make this speech at the earliest opportunity has come from some surprising sources. As I arrived here on my very first day, I was handed a telephone message from the local Oxfordshire press inquiring whether I had delivered it yet. Clearly, my predecessor's departure to be Mayor of London has liberated acres of column inches in my local papers that now need to be filled.

For seven years, Boris Johnson served the people of the Henley constituency with distinction, dedication and considerable panache. There can be few people in

[John Howell]

public life so well known that a surname is superfluous, and few who have had such an enviable ability to relate to people from all walks of life. London is, indeed, fortunate, and the people of my constituency are proud of Boris's success and achievement. During the election campaign, it became apparent on the doorsteps just how much Boris had done as a constituency MP. For a man used always to being in the limelight, most of this had been done without fuss, but in the knowledge that it made a real contribution to the lives of the people of south Oxfordshire. People in one village in the constituency recalled Boris making a complicated journey from London simply to play a cameo role in the village panto. His ability to arrive late for almost all occasions must have presented particular challenges for the theatrical management—but arrive on time he did, and he delivered his lines on cue. Incidentally, Boris's cameo role was playing Boris Johnson—a role he had no trouble playing. Boris's ability to make politics and life fun are undeniable, but they should not obscure a man of great intellect and ability who will be much missed in the constituency and will be a hard act to follow.

The Henley constituency occupies much of the area between Reading and Oxford and includes delightful and varied countryside from the Thames to the Chilterns. Its rural tranquillity is maintained by an almost complete absence of mobile telephone reception across large areas, which will no doubt prove a particular challenge for the Whips. Of course, many Members have recently had the chance to experience the constituency, and, I hope, to contribute to its local economy. Indeed, local estate agents are hoping that many will now come back permanently and that this will single-handedly buck any downturn in the property market.

It is a constituency that has played a major role in English history. The abbey at Dorchester-on-Thames was once one of England's premier cathedrals. The town of Thame has managed to retain its market town character despite the pressures of growth, and Henley itself is, of course, famous for its regatta. However, it is one of the anomalies of constituency boundaries that when people attend the regatta they are actually in the constituency of my right hon. Friend the Member for Maidenhead (Mrs. May). The advantage of this is that it affords them a magnificent vantage point from which to look back into my constituency and the town itself.

Even within this rural idyll, there are problems. Sandwiched between Oxford, Reading and Didcot, the constituency is constantly under pressure from overdevelopment, particularly in the green belt. Funding for any accompanying infrastructure has been difficult to access, and the situation has not been helped by the caricature of the constituency as too healthy and too wealthy. It contains areas of considerable deprivation, such as the village of Berinsfield and, indeed, parts of Henley itself, but it is typical of the public-spirited nature of those who live in the constituency that there are also thriving voluntary and charity sectors.

The network of small rural villages scattered across the constituency illustrates well what the notion of community is all about. They provide the support and caring environment that has made it a joy to live there for 20 years and to have brought up my family there, but despite that, I remain concerned for the future because of the risk to all this from the increasing prospect of rural isolation caused by the steady erosion of local services.

The final stop in this tour of my constituency is RAF Benson, which is one of the UK's main operational helicopter bases, whose staff are operating in both Iraq and Afghanistan. We must never forget that our military capability depends on the good will of service personnel and their families. Local commanders understand that, and I will have no hesitation in holding the Government to account on delivering the fair deal that service personnel and their families rightly require.

May I turn briefly to the subject of the debate, about which I should like to make three short points? First, in his maiden speech, my predecessor said:

> "many of my constituents find it very difficult to afford petrol these days".—[*Official Report*, 12 July 2001; Vol. 371, c. 1010.]

He said that when the average price of a litre of unleaded was just about 80p. He went on to point out that there was no public transport alternative, with many villages having only one service per week. Seven years later, the situation is, in all senses, considerably worse in an area where the car is a necessity, not a luxury.

Secondly, I shall not argue over whose by-election should take credit for the Government's climbdown over the 2p autumn rise. I think that my constituents would feel that they had a role to play in it, because they regarded their by-election as, in many ways, a referendum on the Government's whole approach to the motorist and will be glad to have forced the Government into that climbdown.

Finally, if the Government find it hard to listen to us or to my constituents, perhaps they ought to listen to those who once would have been their natural allies. Last Friday, I returned to Oxfordshire county council, where, until recently, I held a portfolio that included human resources and its relationship to the unions. I was asked by the secretary of the Oxfordshire county branch of Unison to help draw to the attention of Treasury Ministers a 2,000 signature petition that it had raised on fuel duty. I was told that, for some reason, the union had been unable to find a Labour Member who was willing to do so. One can disagree with the detail of Unison's proposed mechanism to achieve the scrapping of the 2p increase and the further 10p reduction in fuel duty for which it is calling, but it is difficult to disagree with the sentiment it expresses: that pump prices are hurting businesses and individuals, particularly the poorest paid. I am pleased to have been elected to this House at a time when Conservatives are clearly trusted to represent the views of trade unionists, and I thank the House for its indulgence in listening to this speech.

5.58 pm

Nigel Griffiths (Edinburgh, South) (Lab): One of the great pleasures of being Deputy Leader of the House of Commons was the enjoyment that I got from all the maiden speeches of colleagues who joined us in 2005. Many distinguished and impressive speeches were made, but none were more impressive than the maiden speech that we heard just now from the hon. Member for Henley (John Howell). He showed great wit, flashes of independence—the Whips will have noted those, so he will be up for a promotion very soon—a keen appreciation of the conventions of this House, which he has clearly quickly grasped, and, most important for his constituents, a good knowledge of the issues that face them. Clearly, they are going to have a champion in him.

It is a great pleasure to speak in this debate, because I have rarely seen an Opposition motion so steeped in cant. The truth is that the people who led the charge to keep fuel duty high are on the Opposition Benches—*[Interruption.]* The hon. Member for Runnymede and Weybridge (Mr. Hammond) says "Come on!", but who brought in the fuel duty escalator? The last Conservative Chancellor. No wonder they lost. It is not Heathcliff who is responsible for the problem, but Rushcliffe—the right hon. and learned Member for Rushcliffe (Mr. Clarke), who brought in the extra tax at the pump. Heathcliff abolished it. If the Tories had continued, about 30p would have been added through that tax to every litre, every day for the motorist filling up at the pump.

In February, less than five months ago, when petrol was already more than £1 a litre and diesel was more than £1.10, the hon. Member for South Suffolk (Mr. Yeo), the Conservative Chairman of the Select Committee on Environmental Audit, criticised the Government for abolishing the fuel duty escalator. He was joined in that by his Conservative friends the hon. Members for Bexhill and Battle (Gregory Barker), for Ruislip-Northwood (Mr. Hurd), for Bridgwater (Mr. Liddell-Grainger) and for Beverley and Holderness (Mr. Stuart), but their demands for higher fuel taxes did not stop there. They called in paragraph 14 of the Committee's report for air tax freight duty to be introduced for the first time. That would send the cost of some foods through the roof.

The Committee's fourth report of 2006-07 called for a sixfold increase in diesel for airport vehicles, when diesel cost 7.69p a litre. That would have sent up the cost to more than 46p a litre. The report produced in February went on to state that, by April 2009, fuel duties were set to go up by 6p a litre, but reminded the Committee and the House that fuel duty rates were still 11 per cent. below the price in 1999.

Mr. Philip Hammond: I do not quite know what the hon. Gentleman is rambling on about now, but let us get back to his criticism of my right hon. and learned Friend the Member for Rushcliffe (Mr. Clarke). Will the hon. Gentleman remind the House what the price of a barrel of oil was when my right hon. and learned Friend introduced the fuel duty escalator?

Nigel Griffiths: It was less than it is now, but as the price went up the Conservatives kept the escalator going. That would, of course, have meant that prices now would have been some 30p more than they are at the pump and up to about £1.50 a litre, according to the figures that I mentioned earlier, which were provided by the Automobile Association. The Committee's report is proof that the Conservatives have not learned a lesson about the fuel escalator. When the five Conservative Members I mentioned signed up to the report, which called for the Government not to back down on the rates of duty, they said that that would be a test for the Treasury. The report states:

> "Some motoring organisations have begun calling for the next planned increase in fuel duty to be scrapped, given the rise in petrol prices due to increases in the price of crude oil. The forthcoming Budget is a test of the Treasury's environmental credibility: it must not defer its planned rises in fuel duty."

The problem, of course, was that even that was not enough for the Conservative report on green taxes produced by Zac Goldsmith and the right hon. Member for Suffolk, Coastal (Mr. Gummer). It proposed to push up the vehicle excise duty differential to £500. They wanted a new graduated purchase tax with a variable VAT rate that would see a combined tax of 27.5 per cent. on larger cars. That was all aimed at hitting the motorist.

Mr. Redwood: Why does not the hon. Gentleman refer to the report on economic policy that I chaired, which made it clear that we needed lower taxes on the haulage industry to avoid driving it out of business?

Nigel Griffiths: That is because the modern Tory party has abandoned the sort of principles that the right hon. Member espoused. It says one thing to one group, but allows the right hon. Member for Suffolk, Coastal to say another thing to another group.

In the same way, the Leader of the Opposition tries to curry favour by telling Friends of the Earth and Greenpeace what they want to hear, before he goes along to the motor manufacturers and the road lobby to tell them what they want to hear. That is the sort of U-turn that he does: one day it is hug a hoodie, then it is hug a tree, and now it is hug a Hummer. The Opposition cannot make their minds up about whether they are going to be environmental or not, although I pay tribute to the right hon. Member for Wokingham (Mr. Redwood) for his consistency at least.

The problem is that when the cold economic winds blow across the Atlantic and reach Britain and the Leader of the Opposition, the shiver looks in vain for a spine to run down. People want action, not unbelievable and untried policies from an Opposition Front-Bench team that clearly has not bothered even to look at the fuel tax stabiliser in other countries, given that it appears that all of them have rejected the measure as being pie in the sky. What the public want are practical steps such as the action that we have taken today.

Mr. Philip Hammond: Does the hon. Gentleman accept that a fuel duty stabiliser along the lines that we have set out would work only in a country that was both industrialised and an oil producer? There are relatively few candidates available.

Nigel Griffiths: I shall tell the hon. Gentleman how it would work, if it would work at all, and that is if the oil price continues its reduction of the past few days. The hon. Member hopes that that will happen, but he failed to tell the House about what would happen if it keeps going up—and there have been predictions, and not just from the doom merchants, that it will rise inexorably and hit $200 a barrel. If the oil price continues to rise, what mechanism will ensure that people and motorists are weaned off the so-called stabiliser? If oil prices do not fall but keep rising, the stabiliser would have to be removed and fuel prices would rise. The stabiliser does not offer a long-term solution to the problem.

Mr. Hammond: Will the hon. Gentleman give way?

Nigel Griffiths: No, as I am afraid I shall be in injury time if I give way again.

[Nigel Griffiths]

The country wants a credible alternative to the stabiliser. The Opposition are offering something that no Government in the advanced industrial world, or indeed anywhere, have proposed. As my hon. Friends have pointed out, other countries are in the same position as Britain, being oil producers with advanced industrial economies. That is why the public will reject this gimmick from the Opposition. They clearly did not have sufficient confidence in it to test it in the Finance Bill Committee where, if it had not been debated to destruction, it would certainly have been thrashed around. To its credit, the Scottish National party allowed the policy to be tested. It was not adopted, but it has been partially stolen.

However, the nationalists have their own problems with fuel. Some months ago, my right hon. Friend the Chancellor set aside a sum of money for England and the devolved regions to ensure that bus companies could offset some of the fuel rises and duties and keep fares frozen. The Scottish National party Administration in Edinburgh did not pass the money on to local bus companies, with the result that very successful companies such as Lothian Buses and others up and down Scotland were forced to put fares up by 10 per cent. That is a direct result of the Scottish National party talking up its concern about fuel, but in fact pocketing the money that had been set aside and using it for something else. As a result, my constituents and other people all over Scotland, including in Dundee, have suffered increased bus fares.

People want the Government to take the sort of practical step that I have described. This Government set money aside, and it is a pity that it was not passed on by the Scottish Nationalist Administration in Edinburgh. However, the money was passed on elsewhere in the country, and it has helped to keep fares down, even at a time when diesel prices have escalated as the world price of oil has soared.

Today's decision by the Chancellor to defer the 2p fuel duty rise will be widely welcomed. However, it is important that we send the clear, not mixed, message that things will not get easier as regards fuel. My right hon. Friend the Prime Minister has rightly pressed at summits to ensure that oil production is increased, but we all know that if China—a rapidly advancing, industrialising country—started to use oil at the same per capita rate as the United States of America, the entire world's current annual output would be consumed solely by China.

It is right that we address issues of climate change and ensure that America—the largest consumer of oil—is part of that regime, recognises Kyoto, as it has started to do, and sets its own targets. We are not in a position to lecture the rest of the world unless we take steps in this country. I am very pleased that colleagues on my party's Front Bench have taken key steps on renewables. The measure that has been announced is necessary to bring some relief to hard-pressed motorists, and I welcome it. I am sure that they, too, will welcome it as a practical measure, and will reject the Opposition proposal as pie in the sky.

6.10 pm

Mrs. Maria Miller (Basingstoke) (Con): It is a great honour to speak in the same debate as my hon. Friend the Member for Henley (John Howell). In his maiden speech, he showed his insight into his constituency. I visited his constituency just before his election and got to know it a little better, so I understand some of the glowing references that he made to villages in the constituency, and to the town of Henley, which is one of the most beautiful parts of south Oxfordshire. It is a great pleasure to have him here, although I think I speak for many Conservative Members, and perhaps a few Labour Members, when I say that we will miss his predecessor, who, in his role as Mayor of London, is doing great things. However, we will miss his charm and wit in this place.

I am pleased to take part in this debate. It is clear that we are in a period of great economic uncertainty, and the situation is somewhat exacerbated by the recent massive fuel price increases. As a result of the Prime Minister's recent attendance at a meeting of the Organisation of Petroleum Exporting Countries in June, he is aware that it is unlikely that there will be any significant increase in oil supply in the next few years. That is why I found the comments of the hon. Member for Twickenham (Dr. Cable) interesting; he seemed, rather optimistically, to think that there might be changes in oil prices over the summer. I think that he may be looking at the world through rather rose-tinted spectacles, because as the Prime Minister said:

> "This is the third great oil shock in three decades".

All our constituents, across the country, see that first-hand when they go to the pumps to buy fuel and people in rural parts of my constituency, who still have to rely on oil to heat their homes, see that when the lorry turns up to fill up their tanks. We recognise that problem, and constituents will be grateful to us for calling this debate so that we can really press the Government on practical ways to support our constituents.

The Government may say that they recognise the problem, but they are failing to show any of the leadership that we need to find a solution, and are failing to give business certainty; that is what people are crying out for. I am not sure that a six-month delay in implementing the 2p fuel rise will do anything to create the long-term certainty that families and businesses need on fuel costs. Let us consider the intricacies of the 2p delay. The cost of deferring the increase last time was about £550 million. We know that, as a result of the increase in fuel prices, the Government received in the first five months of this year alone a windfall that yielded almost that amount of money. Perhaps we could consider the issue in that context. As the Royal Automobile Club reminds us in its briefing, which sets out its reaction to the Government's announcement, the measure is just a drop in the ocean, given the £2 billion extra that the Treasury intends to take from motorists in the next two years.

I am very concerned about families across the country, who face the reality of increasing mortgage rates and food prices, as well as ever-increasing fuel prices. That is the case not just in the rural areas of my constituency, but in the town, where we have great problems sustaining the public transport networks that are needed if people are to rely on them rather than their cars. The Government should be listening a little more intently to some of the proposals of my hon. Friend the Member for Runnymede and Weybridge (Mr. Hammond).

I particularly want to direct my remarks to business. Basingstoke has more than 60,000 jobs, of which almost

4,000 are in the transport and communications sector, and almost 8,000 are in manufacturing, so the cost of fuel matters to businesses in Basingstoke, which is one of the top 10 areas of employment in the south-east of England. It makes a lot of money for the Government and they need to listen harder to businesses such as those in my constituency. Visiting and talking to people who are running businesses day in and day out in this economic climate might bring home the reality of some of the Government's policies.

On Friday, I was in a plastics manufacturer in my constituency, Holloid Plastics, which has been operating for more than 50 years. It is having to consider not just an annual price rise, but six-monthly price rises to try to keep on top of the fuel increases that it is having to endure. A delegation of local road hauliers recently came to the House and I was pleased to meet Mrs. Sandra Hunt and Miss Sarah Hunt. They are from L. Hunt and Sons Ltd, which has been in my constituency for more than 100 years, and they run a road haulage business out of Upton Grey that is enduring immense pressure as a result of the increases in fuel costs and that, again, has seen two price rises to its customers since April. Such price rises will be handed on not just to customers of road haulage companies but to their customers in turn, fuelling more of the inflation that we have seen in recent weeks and months.

It is the Government's failure to grasp the scale of the problem that concerns businesses most, and perhaps in her closing remarks the Exchequer Secretary could show that she has been listening to the concerns of businesses and families today by showing that she will consider some of the practical measures that have been put forward by my hon. Friends. The country really needs certainty and fairness when it comes to the future in this area. We have the highest diesel costs in the EU, and that is a result of the level of taxation, and that has been so for more than a decade now. Particularly concerning is the fact that the gap between the UK and other EU countries has increased markedly since the late 1990s. The UK duty rate has been increasing much faster than elsewhere and that is of particular concern.

I welcome proposals of my hon. Friend the Member for Runnymede and Weybridge on the fair fuel stabiliser, for which local businesses in my area have been calling directly. The Conservative party is taking on those issues and providing practical solutions in introducing the proposals for consultation. When fuel prices rise, we do not want to see the instability that the current situation is creating. The stabiliser could provide just the sort of solution that could help businesses to have a more stable and certain future. We cannot continue to lurch from one tax crisis to another, whether it is the 10p tax rate today or delaying a 2p tax rise for six months. As my hon. Friend said, this is simply no way to run our economy. I urge the Chancellor and his right hon. and hon. Friends to look more carefully at the fair fuel stabiliser as a way of providing the real long-term help that businesses in Basingstoke and throughout the country really need.

6.18 pm

Mr. John Redwood (Wokingham) (Con): The issue before the House today is of consummate importance to businesses throughout the country and to our electors, so it is stunning to me that the Chief Secretary to the Treasury comes before the House and is unable to answer the simple question of by how much the pump price has gone up since the Budget as a result of the tax increases that the Government have imposed, or have allowed to be imposed by market movements, because some of the tax is ad valorem and some is fixed. We have a Chief Secretary who either does not know or will not tell us that very simple point of great interest to our constituents.

Worse still, as my right hon. and hon. Friends pointed out when she was still with us, the Chief Secretary was unable to tell us what the loss of revenue would be from today's very wise decision to forgo the extra 2p that had been due in the autumn. The Government had been threatening us with that rise for so many weeks and months, despite all the evidence that they were collecting far more tax than they were planning for in the Budget forecast, and all the evidence of the damage that petrol prices were doing to our constituents around the country.

It is surely not beyond the wit of the Prime Minister to find a Chief Secretary who knows how to do a few sums, and understands that she is paid a good salary to come to the House and tell us about the cost consequences of the Government's proposals. We would like to know how much extra revenue the Government are already getting from the windfall on North sea oil taxes as a result of the rise in the oil price, and from the windfall at the pumps that we have been describing.

An external estimate says that the Government got more than £500 million extra in the first six weeks of the financial year—an absolutely massive sum. One assumes that the figure has been higher in each succeeding six-week period, because the oil price has risen that much further. We have at last gleaned from the Treasury—it has confirmed—that it did its forecasts at $84 a barrel. The price today is $139 a barrel, so we can all see that there must have been a huge increase in the tax that they have claimed. We should then ask who is having to pay all the additional tax that the Government are allowing to be imposed, or have deliberately imposed through their own positive decisions.

We are back to the new Labour/old Labour story. The party seems to believe that only the rich should be allowed to drive, because the tax will bear disproportionately on those with older cars and lower incomes. We see much evidence around the country that families on low incomes in rural areas, or with work or school-run patterns that cannot be met by public transport, are under enormous pressure. Such families are in genuine fear of going to the filling station and filling up. They think about which other journeys they can cut out, or how they can adjust their lives in some way to try to deal with the weekly hit of an enormous fuel bill.

It is those on the lowest incomes who will have to sacrifice journeys or sacrifice the car. People on high incomes such as ministerial incomes and better—the lawyers and consultants whom the Government hire—will not find the situation that difficult. It may be slightly tricky for them, because they may have to cancel the extra glass of champagne, but it is not the end of the world. However, there are so many people for whom this means digging deep into their limited family budget, and being really afraid of what their Government are doing to them.

[Mr. John Redwood]

We have learned in this debate—this was not challenged by the Chief Secretary, at least—that at least 60 per cent. of the price at the pump goes to the Government. It may be more. It certainly is if North sea taxation is added; if we factored in the idea that the petrol we get at the pump is pumped via the North sea through a British refinery, the tax would be even higher. However, we can definitely conclude—and the Exchequer Secretary will have to agree—that most of the money collected by the oil companies at the pump goes to the Chancellor. We can agree that the amounts are massively higher than was forecast in the Budget, and than they were last year. We must conclude that when it comes to higher petrol prices, the Government are undoubtedly the main villain of the piece.

Families with difficult choices struggling on modest incomes are not the only casualties; another casualty is the British haulage industry. How many times have the official Opposition had to make the case in this House for British hauliers? How many times have the hauliers had to block the streets and undertake democratic protest because their Government are deaf and do not understand the point? Driving the British haulage industry out of business is not a green policy but a policy of the madhouse, because it will substitute foreign hauliers for British hauliers. Foreign hauliers do not pay the same taxes to own and run their lorries. They will bunker abroad. They will fuel up in Calais or the nearest port of departure from the continent and try to drive back to the continent with an almost empty tank so that they can refuel in a jurisdiction where the fuel is cheaper.

David Taylor (North-West Leicestershire) (Lab/Co-op): The right hon. Gentleman talks about the comparative costs of haulage in other European countries. Although he is right about fuel, he must factor in two other elements of the cost equation: first, that corporation taxes on the haulage companies are lower than in European countries; and secondly, that wage rates and suchlike are lower. Therefore, the overall cost of operation for companies in France, Holland and elsewhere is probably not substantially different from what it is here.

Mr. Redwood: I think that the hon. Gentleman will find that as regards most of those cost areas there is an advantage to being on the continent, not in Britain.

Mr. Edward Timpson (Crewe and Nantwich) (Con): Does my right hon. Friend agree that the situation is much more unsustainable for hauliers in this country? For example, the operations director of a transport company based in my constituency, who operates nearly 100 large goods vehicles, tells me that if the price of diesel remains at its current level, that will cost his company approximately £1 million per annum on top of what he is already paying, which works out at nearly £4,000 per working day. That is clearly unsustainable.

Mr. Redwood: That is a good example of my general point. Anyone who knows the haulage industry knows that on many cost grounds, particularly all those related to Government conduct, we have a much worse deal in Britain. That is why we are losing business, why jobs are going, and why haulage companies are closing down. If Labour Members still do not know that, they are in for a rude awakening at the polls. It will be yet another example of their not understanding what is going on and not speaking up for the people in this trouble.

The Chief Secretary to the Treasury and the other senior politicians in the Government seem to think that all this is a silly political game about black holes in public finances. I hope that I have illustrated that there is no black hole in this area of the accounts. There is a massive increase in revenue, and we are asking the Government to give a little bit of it away while oil prices are high, and at the same time have a stabiliser so that if the oil price plunges the Government will not be short of revenue, as they would otherwise be. Ministers do not even seem to be able to work out that if one charges an activity at 60 per cent. or more, and charges other activities at 40 per cent. or so, one will have more revenue if there is a rise in the price of the 60 per cent. tax item and less revenue if it falls. Anyone else can see that that must be true, because it is being taxed so much more highly than the other activity that it may be displacing to some extent when the price rises.

The Government must learn how to do the sums. They must understand that if they gave a bit away now, it would do them a lot of political good, help the British economy, and do a little to ease the phenomenal squeeze that they have decided to place on the British consumer and the average voter out there. At the same time, by adopting the Conservative proposal, they could have some kind of insurance against the possibility that there is speculative money as well as underlying demand in the oil market, and that the price will come down. It is a very unusual market that always goes up, and it would be foolish of the Government to plan all their Budget assumptions on the basis that the price of oil will always go up now that it has reached about $140 a barrel; indeed, it has been a bit higher than that in recent trading.

The black hole is the Government's black hole. If we are engaged in a debate about black holes, as the Chief Secretary says that we are, we would like to know exactly how much Northern Rock has cost them—£5.3 billion so far, and rising. We would like to know how much all these tacky packages to try to win votes in by-elections have cost them. They are probably already overrunning by £10 billion, yet they have the gall to criticise the Opposition for coming forward with a very modest proposal that would make a small reduction in the part of the tax budget that is rising so colossally because of how the Government have set it up. Now that the Government have at last realised, long after everybody else, that they cannot go on with a 2p rise in the autumn, it is important that they should think again and take something off the already over-burdensome high taxes at the pump.

I cannot remember such an intense squeeze on customers and consumers developing as quickly as is now happening as a result of the combined impact of the credit crunch and inflation. The inflation is occurring in the areas where the Government meddle most: in energy prices, where they have not allowed the permits to go ahead for an expansion of energy supply; in the oil products market, where they impose cripplingly high taxes and allow them to go up when the price is going up; and in food markets, where we have rigged prices thanks to the common agricultural policy and the Government's failure to get proper reform from our partners. We urge them to do themselves, as well as the country, a favour by seeing common sense and the need to cut those petrol prices immediately. That would reduce the retail prices index in the subsequent figures, which would help with other Government spending pressures because so much Government spending is linked to the RPI. Above all, it would help my constituents and the Minister's constituents, who have had it beyond belief with these price rises, and blame the Government for the petrol price rises because so much of that money is tax.

6.29 pm

Stewart Hosie (Dundee, East) (SNP): I enjoyed the maiden speech of the hon. Member for Henley (John Howell). He is in the extraordinary position of having been a candidate with one policy and making his maiden speech with another. However, he has the advantage over all his Tory colleagues, in that the next time we vote on a fuel duty regulator, modulator or stabiliser, he can vote for it without the embarrassment of having not done so in the past. Having got that out of the way, I can say to the hon. Members for Putney (Justine Greening) and for Runnymede and Weybridge (Mr. Hammond) that they have done the right thing. They have fully considered the issues that affect 23 million motorists, the haulage sector and many others. They have clearly reached their own conclusions in their own time and developed a model for how their plan will work. However, it is fundamentally the same idea as many hon. Members have had.

My comments are not about claiming the credit, even though I tabled an amendment on the subject to the Finance Bill in 2005, but about building a coalition of support to back all those in the real world and deliver a modulating, moderating or regulating impact to temper increases when prices spike. Many support that.

Two weeks ago, when I tabled an amendment to the Finance Bill, I provided the context, so I will speak for only a few minutes; I want other hon. Members to be able to contribute to the debate. From 2005, when petrol was 86p a litre, the price has increased to an average of £1.32 a litre—£6 a gallon. In 2005 Brent crude had reached $60 a barrel—almost a 20 per cent. increase on the forecast for that year. Two weeks ago it was $132 a barrel, and yesterday the price reached $145 a barrel.

I have also consistently said that the rises that we have experienced are inflationary. Yesterday the inflation figures were published, showing, at 3.8 per cent., a half point rise to almost double the Government's target. Fuel and energy prices have risen by 24 per cent. in the past year. We are considering essential items, and for those on low incomes and others, such as the haulage sector, real inflation far exceeds the Government's official figures.

At 53.2 per cent., the UK has the highest tax take on a litre of diesel anywhere in the European Union. At £1.32 a litre for diesel—it is dearer in many parts of remote and rural Scotland—it is 35p more expensive than it was a year ago. Almost half of that rise—14p—happened between mid-April and mid-June, according to the AA. That is precisely the sort of spike that a regulator, modulator or stabiliser is designed to smooth out. Only in Norway, with an average price of 137p a litre, is diesel dearer than in the UK. For normal people, that means that it costs £30 more a month to run one diesel car, or £46 more a month for a two-car family with petrol cars. People will need to earn nearly an extra £1,000 a year to pay for the increase in fuel that a two-car family will experience.

It is important that fuel is regulated for all the reasons that I have outlined, but also to avoid the super-spike to $200 a barrel and more that Arjun Murti from Goldman Sachs predicted for this year. We must plan for those eventualities and have the mechanisms in place now, so that the Government do not rush around panicking when they happen.

Let me briefly consider the Government's action today, suspending or abandoning the 2p rise in duty. Of course, it is welcome—many of us have called for it for some time. However, it should have happened months ago as prices began to spiral way above inflation and the Government's forecasts. That is why we need a regulator. The suspension should have been automatic, not based on any politician's whim—and certainly not eight days before a by-election, although we in the Scottish National party claim credit for that.

The most important point is not about 2p here or 2p there; it is about having in place the regulator—or we could call it the modulator, the stabiliser or the mechanism—so that when the spiking occurs there are automatic corrections, and families and businesses can plan properly. In particular, that would mean that the haulage sector would not be crucified, and that, as we heard in the earlier example, modest companies would not have to find £60,000 net extra each year just to stand still.

With that, I will leave it, except to say that although there will probably be technical disagreements with the Tories when the full detail of their proposals comes out, I am pleased that they have moved. I hope that I had something to do with that. If we continue to build up support among all the parties, we might be able to help a great many people with such a measure.

6.35 pm

Mr. Alan Reid (Argyll and Bute) (LD): As we have heard in this debate, the high price of fuel is having a severe effect on the economy throughout the country. However, it has a much more severe effect in remote rural areas than in urban areas.

In my constituency, the effects are felt particularly severely on the islands and on the Kintyre peninsula, because fuel there is sold at a much higher price than in urban areas. That means that people suffer from a triple whammy: they pay higher fuel prices; there are no public transport alternatives; and they need to drive longer distances. Let me cite an example: on a recent visit to the remoter parts of my constituency, I found that the price at the pumps in Campbeltown, at the end of the Kintyre peninsula, was 6p a litre higher than at Glasgow airport and that at Port Ellen on Islay, fuel was selling at 15p a litre higher. On the smaller islands, the difference is always much greater.

The Office of Fair Trading has on many occasions looked into the reasons for the high fuel prices in the highlands and islands. On each occasion, it has drawn the conclusion that the extra premium arises not from anti-competitive prices—local filling stations are not ripping people off; there has never been any such

[Mr. Alan Reid]

accusation—which can be dealt with through regulations, but from the way the market operates. In a small village, the number of pumps at the filling station and the turnover at each pump is less than one would find in an urban area. That means that the income required to cover costs is greater than that for urban filling stations.

Another problem is that because remote filling stations are owner-operated, they are dependent on regional wholesalers for their fuel supplies, whereas urban filling stations usually have direct access to a supply of fuel without the need for the middle man of the wholesaler. Another problem that small filling stations face is finding the money for the fuel up front. Even a small island filling station will need to pay more than £10,000 up front to fill the tank. That is a lot for a small business to find up front, which leads to interest charges, and therefore additional costs. For islands, there is the additional cost of the ferry fare for both the tanker and the driver, and of the driver's wages for the time that it takes to make the delivery and return to base. For smaller islands, that can mean two or three full days simply for one delivery. That all adds to cost.

One haulage company in my constituency pointed out to me earlier this week that it cannot get a discount fuel card that includes filling stations in Argyll. I was told that if it were operating in central Scotland, for example, there would be many fuel discount cards to choose from, with bulk-buying discounted rates. However, those rates do not apply in Argyll and Bute. All those costs add to the cost of both fuel at the pump and everything that is sold in the shops.

We proposed an amendment to the Finance Bill on Report that would have achieved the end of higher prices at remote rural filling stations. We proposed a rural fuel duty discount, which operates in many other countries. Highlands and islands MPs recently held a constructive meeting with the Exchequer Secretary. She and other Treasury Ministers have certainly been sympathetic and have promised to examine the evidence. I have sent evidence to the Treasury and will soon send more. I urge the Government to examine this evidence very carefully and to produce a rural fuel duty discount scheme for islands and remote parts of the mainland before the high fuel prices work their way through to job losses.

6.39 pm

Justine Greening (Putney) (Con): I guess that, first of all, I should pay tribute to my new hon. Friend, the Member for Henley (John Howell), for delivering such a fantastic maiden speech. I was a big fan of his predecessor, but I can see that I am going to be as big a fan of my hon. Friend. My only criticism of his maiden speech was that he definitely undersold the skills that he is bringing to the House in terms of his previous experience in business. Speaking as someone who also came into the House after working in industry and business, I am sure that he will be able to put those skills to good use on behalf of his constituents and his party, and I look forward to that happening.

Today's debate gave the House an opportunity for what I hoped would be a constructive discussion on what the Government could do about the rising price of fuel. The Conservatives have proposed a fair fuel stabiliser, and businesses, green groups and the public will all have a chance to give us their thoughts during our consultation on this proposal over the coming months. However, we thought that it would be sensible to give Parliament the opportunity to consider our proposals as well. Unfortunately, the Government's attitude during this debate has been one not of positive engagement, but of relentless defeatism and, in my opinion, criticism for criticism's sake.

As my hon. Friend the Member for Basingstoke (Mrs. Miller) and my right hon. Friend the Member for Wokingham (Mr. Redwood) mentioned, the issues that we are discussing today are real ones. The cost of living—particularly the cost of transport—is one of the most serious issues facing families and many businesses in Britain right now. My hon. Friend the Member for Basingstoke and my right hon. Friend the Member for Wokingham, as well as my hon. Friend the Member for Henley, said that these are particularly pressing issues for families, and especially for businesses, which cannot necessarily change their business procedures to avoid the kind of fuel price rises that we have seen in recent months. In the past year, we have seen a rapid rise in the price of petrol at the pumps. In September last year, a litre of petrol cost 95p; now, it is more than £1.19. Petrol price inflation in the UK is almost the highest in Europe, running at 17 per cent. In fact, it is second only to that of Estonia.

These soaring costs are having a very real effect on families and businesses. The current rate of price inflation would have meant an increase of £185 a year in household fuel bills by the end of this year, which would put the average family's expenditure on fuel at more than £1,000 a year. As the hon. Member for Dundee, East (Stewart Hosie) pointed out, this is a real problem for businesses and families. It is a serious burden for both those groups, and the Government would have been wise to take it seriously, but they have not done so. It is a burden that the Government could do something about, but they will not. Other hon. Members have looked for ways to tackle these issues. We have heard the ideas of the hon. Members for South Thanet (Dr. Ladyman) and for Dundee, East. However, when tasked with helping people at a time of real and urgent need, the Government have offered nothing more than excuses and token gestures, when they really needed to take responsibility and offer real solutions.

Somehow the public are meant to be grateful for today's announcement of a delay in the 2p rise. The Government are sending them a message, saying, "Don't worry, we've decided not to make things worse for you. We're just going to keep things as bad as they already are, and you should be grateful for that." Frankly, that is typical of the Government's attitude so far. They are showing a shocking unwillingness to tackle the issue, saying, "Don't blame us. What can we do?" The line coming from the Government—we heard it again today—is that rising fuel prices are to do with the global price of oil and are therefore beyond the Government's control. When they finally take decisions on fuel duty, instead of introducing substantive policies to tackle the issue in the longer term, they give us policy by press release and policy by parliamentary question and answer. We all know we simply cannot go on running the public finances in that way. Everyone knows the bottom line: this is about Glasgow, East and the Government's and the Prime Minister's political survival. It is not about proposing a long-term fundamental approach to addressing oil price rises and their impact on the cost of fuel. Ministers need to start tackling those issues.

What people want from the Government today is a helping hand to get them out of their financial troubles. Instead, what they see from the Government is no help at all. Far from providing a hand to pull them out of their troubles, the Government are pushing them further down into them. We heard nothing of value from the Chief Secretary today. The hon. Member for Edinburgh, South (Nigel Griffiths) did not have much to say by way of alternatives and was quite happy to back up all the platitudes that we heard from the Chief Secretary. Ministers need to stop being buffeted by events and actually get a grip on the situation.

Our proposals are all about trying to find a way through these challenges for hard-pressed families and hard-pressed businesses. We believe that they will help families by stabilising their finances and we believe that they will help the public finances by helping to insulate them from oil price rises. We also think that they will have a welcome dampening effect on inflation. That has to be better than the sort of "nudge and wink" policy that we have had from Ministers today, as there is a sense that the Government's approach is unsustainable.

Mr. Alan Reid: Will the hon. Lady explain how long the gaps will be between now and the adjustments taking place? If they are too long—six months was mentioned—the Chancellor will effectively decide, and if they are too short, the proposals will have what has been described as a yo-yo effect.

Justine Greening: The hon. Gentleman raises a fair point. The reason for going through a consultation process is to ensure that, unlike with the Government's new policies on capital gains tax, non-doms and the 10p tax rate, we get things right first time. We have learned from the Government's mistakes, even if they have not.

The Exchequer Secretary to the Treasury (Angela Eagle): The Tory document, under the heading "Questions for consultation", asks

> "how frequently changes in fuel duty should be applied… and how they should be calculated"

and it continues:

> "Both oil prices and retail fuel prices are already monitored on a daily basis, so data collection is unlikely to pose significant challenges."

That sounds like the yo-yo effect to me.

Justine Greening: Actually, it sounds like a response from a Treasury Minister who has no realistic alternative of her own. The reality is that the current situation requires action, not inaction, and it requires leadership rather than dithering. We have proposed this fair fuel stabiliser as a solution and we want to get it right first time. I would have hoped and expected that Government Ministers approached potential solutions to the impact of fuel prices on families with an open mind. Instead, when new ideas have been suggested, as today, they have simply been dismissed out of hand. In fact, Ministers have criticised other people's suggestions while offering no ideas of their own. They are struggling along on a day-by-day, by-election-after-by-election basis, desperately trying to provide the illusion of control. Frankly, it would be much better for families if they simply recognised a good idea when they have one put in front of them. They have done that on inheritance tax, capital gains tax and the 10p tax rate, so why not on road tax as well? Instead, they are putting their own political priorities ahead of what is right for the country.

I realise that no Government like to appear out of touch or out of their depth, but I have to tell Ministers that the public know that that is exactly what is happening. We have already reached that point with the current ministerial team running the country. The public can see that the Treasury is failing to cope with the challenges they have to face every single day. They need Ministers to rise above political posturing and tackle the problem. Businesses are going under; families are facing sky-rocketing fuel bills; and oil price fluctuations are destabilising the wider economy. We offer a solution that would be good for the Government, good for the economy and, most important of all, good for the people of this country who are struggling to cope.

I shall finish my contribution to this debate on fuel costs with a motoring analogy. We find ourselves with a Government and Ministers with so little direction that we feel inclined to give them a political sat-nav, but the problem is that they would not be able to put any political destination into it: half the Labour party would be shouting, "Left, left!" while the other half would be shouting, "Right, right!", with no clue where to go next.

Yet again today, we saw Labour MPs—self-proclaimed representatives of low-income families—justifying the Government's plan to keep high taxes on those very same families and crowing about their Government not going ahead with tax rises, as if that were some sort of achievement or success. On three Wednesdays running, I have watched them vote against relieving the financial burden on those families. Those constituents and families will ask themselves why MPs have taken no action on road tax, no action on the cost of living and no action today on fuel duty.

People will realise the answer to those problems: it is to get themselves a fresh Government with some fresh ideas who are willing to take a fresh approach to tackling the problems that our constituents face today and that need sorting out sooner rather than later.

6.50 pm

The Exchequer Secretary to the Treasury (Angela Eagle): This has been an interesting debate and I am grateful to all hon. Members who contributed to it. In particular, I want to pick out the maiden speech of the hon. Member for Henley (John Howell), which we all enjoyed. It was a privilege to witness his arrival in the House. He has some interesting acts to follow and he alluded to that. He also mentioned his immediate predecessor, but among his predecessors in Henley there is quite a tradition of exciting, interesting haircuts at least. We on the Labour Benches will be interested to see whether anything interesting happens to the hon. Gentleman's haircut as a result of filling certain shoes. I congratulate him on making his maiden speech, and wish him a happy and enjoyable time as a Member of Parliament.

[Angela Eagle]

The hon. Member for Twickenham (Dr. Cable) made an interesting point when he asked why oil revenues should be pooled separately from other UK revenues. Why, uniquely, should oil revenues be pooled? The Conservative party needs to think about that. There is also the proposed green taxes pool, which would go into the family fund. One wonders where the Conservatives would collect their taxes to pay for general public expenditure. If they carry on like this, by the time we get to the next election they will have hypothecated the lot.

We listened to the advocacy of some of those who have been talking about stabilisers, regulators, moderators and various other words from the thesaurus in relation to fuel balancing plans. My hon. Friend the Member for South Thanet (Dr. Ladyman), who also suggested that approach, at least said that there needs to be a package of measures for fairer treatment for motorists—we would agree with that—but that we need to consider the totality of revenues, rather than particular pieces of revenue in isolation. We should all bear that in mind.

My hon. Friend the Member for Edinburgh, South (Nigel Griffiths) spent some time quite accurately pointing out the many different faces of Conservative environmental policy, depending on where one looks and which audiences the Conservatives happen to be addressing at the time. Again, that is something we should be well aware of.

The hon. Member for Dundee, East (Stewart Hosie), who is something of a pioneer in this respect, must be sat back enjoying the interest that his proposals are attracting and the ripples that they are causing across all the Opposition Benches. I congratulate him on that.

The background to the debate is the rapid rises in petrol prices over recent weeks and months. Those rises have been caused by global forces, which have led to rising world oil prices. They are putting real pressure on many businesses and on many families' finances. The Government have recognised that, which is why my right hon. Friend the Chancellor deferred the planned 2p per litre fuel duty increase in April's Budget. It is why he decided to postpone the rise planned for October this year, too.

By contrast, as my right hon. Friend the Chief Secretary demonstrated in her opening remarks, the Opposition have suggested a policy that would be a fuel duty destabiliser. It would achieve the very opposite of the things that they claim for it. Fuel duty is not the cause of the rapid petrol price rises of the past few months. Duty rates have not changed since October last year, yet fuel prices have risen 20 per cent., driven up by the near-doubling of the world oil price in the last year to record highs of more than $145 a barrel.

It is worth reminding the House of our record as a Government. Since 1999, we have abolished the Tory fuel duty escalator. Fuel duty rates have gone up only three times, and are now 17 per cent. lower, taking account of inflation, than in 1999. Instead of the current level of 50.35p, if fuel duty had gone up in line with inflation it would now be 61p a litre. If the previous Conservative Government's policy of a fuel duty escalator had been continued, the tax on fuel would now be 79p a litre, which is nearly 30p a litre more than the current level. Therefore, we need take no lessons from the Conservative party about helping ordinary working people and businesses to cope with challenging economic circumstances.

It was the last Conservative Prime Minister, when he was Chancellor, who said that if it is not hurting, it is not working. But we know that it is the legitimate role of Government to help people through turbulent economic times, and not just abandon them to market forces. It was the Leader of the Opposition, not any member of this Government, who recently made a speech blaming the poor and obese for their predicament, and denying that the state should have a legitimate role in helping them to overcome their problems. We, however, will continue to help people through challenging economic times.

That brings me on to the policy proposals outlined recently by the Conservative party for a fuel duty destabiliser. My right hon. Friend the Chief Secretary has dealt in some detail with that suggestion. She rightly pointed out that the Tory fuel duty destabiliser relies on redistributing a fantasy tax windfall—it simply does not exist, and cannot be redistributed to motorists or anyone else. The Tories' fuel duty destabiliser assumes an ability to forecast and define a "fair oil price"—the phrase that they use—when the reality is that any such figure would be completely arbitrary. The Tories' fuel duty destabiliser would cost £2 billion to £3 billion a year if duty rates were cut by 5p a litre as they suggest. There is no indication of where the money would come from.

There is no guarantee, however, that cuts in fuel duty would translate into lower prices at the pump—

Mr. Redwood: Will the hon. Lady give way?

Angela Eagle: No; I have only two minutes left.

Retailers would be likely to stop smoothing the impact of oil prices feeding through to petrol prices, as they tend to do at the moment. As well as being based on a non-existent windfall, the Opposition's proposal would make it incredibly difficult to forecast the public finances, given the notorious volatility of the world oil price.

Justine Greening: On the Government's policy, how much will the 2p delayed duty rise cost the Exchequer?

Angela Eagle: The Red Book figures demonstrate that the cost is £550 million.

Since the beginning of this year, the oil price has varied between $146 and $86 a barrel. In one day alone, it increased by more than $10. Assuming that the Opposition's proposal would involve changing the fuel duty rate by 1p a litre for every $6, as they said, we would have had to change the fuel duty 25 times since the Budget 18 weeks ago. That is a ridiculous policy. Nor is there any guarantee that the duty reductions would be passed on in full to consumers.

Now that the Tories have their press release out, they have many questions to answer about their fuel duty destabiliser. Is it a pledge? Is it policy or just warm words? I notice that they are consulting on it. Does that mean that they will quietly drop it when they hope no one is looking, or can we add another £2 billion to £3 billion to the black hole in their finances? If it is policy, why on earth did they not vote for new clause 4 in the Finance Bill on 15 May?

Mr. Andrew Robathan (Blaby) (Con) *rose in place and claimed to move,* That the Question be now put.

Question, That the Question be now put, *put and agreed to.*

Question put accordingly, That the original words stand part of the Question:—

The House divided: Ayes 175, Noes 340.

Division No. 265] **[7 pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Amess, Mr. David
Ancram, rh Mr. Michael
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Bellingham, Mr. Henry
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Bone, Mr. Peter
Boswell, Mr. Tim
Brady, Mr. Graham
Brazier, Mr. Julian
Brokenshire, James
Browning, Angela
Burns, Mr. Simon
Burrowes, Mr. David
Burt, Alistair
Butterfill, Sir John
Cameron, rh Mr. David
Carswell, Mr. Douglas
Cash, Mr. William
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davies, Mr. Dai
Davies, David T.C. *(Monmouth)*
Davies, Philip
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Donaldson, rh Mr. Jeffrey M.
Dorrell, rh Mr. Stephen
Duddridge, James
Duncan, Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Field, Mr. Mark
Francois, Mr. Mark
Fraser, Christopher
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
Gibb, Mr. Nick
Gillan, Mrs. Cheryl
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hands, Mr. Greg
Harper, Mr. Mark
Hayes, Mr. John
Heald, Mr. Oliver
Heathcoat-Amory, rh Mr. David
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hollobone, Mr. Philip
Holloway, Mr. Adam
Hosie, Stewart
Howard, rh Mr. Michael
Howarth, Mr. Gerald
Howell, John
Jack, rh Mr. Michael
Jenkin, Mr. Bernard
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Kirkbride, Miss Julie
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
Malins, Mr. Humfrey
Maples, Mr. John
Maude, rh Mr. Francis
May, rh Mrs. Theresa
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Murrison, Dr. Andrew
O'Brien, Mr. Stephen
Osborne, Mr. George
Ottaway, Richard
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Randall, Mr. John
Redwood, rh Mr. John
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, rh Mr. Peter
Rosindell, Andrew
Ruffley, Mr. David
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Simmonds, Mark
Simpson, Mr. Keith
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Swayne, Mr. Desmond
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Mr. Ian
Timpson, Mr. Edward
Tredinnick, David
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vara, Mr. Shailesh
Viggers, Sir Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Waterson, Mr. Nigel
Watkinson, Angela
Whittingdale, Mr. John
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Wilshire, Mr. David
Wilson, Mr. Rob
Winterton, Ann
Winterton, Sir Nicholas
Wishart, Pete
Young, rh Sir George

Tellers for the Ayes:
Mr. Brooks Newmark and
Mr. Nick Hurd

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, Danny
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Baker, Norman
Balls, rh Ed
Banks, Gordon
Barlow, Ms Celia
Barrett, John
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blizzard, Mr. Bob
Blunkett, rh Mr. David
Bradshaw, Mr. Ben
Brake, Tom
Breed, Mr. Colin
Brennan, Kevin
Brooke, Annette
Brown, rh Mr. Nicholas
Browne, Mr. Jeremy
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Burstow, Mr. Paul
Burt, Lorely
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cable, Dr. Vincent
Caborn, rh Mr. Richard
Campbell, Mr. Alan
Campbell, rh Sir Menzies
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clarke, rh Mr. Tom
Clegg, rh Mr. Nick
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cook, Frank
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cryer, Mrs. Ann
Cummings, John

Cunningham, Mr. Jim
Cunningham, Tony
Darling, rh Mr. Alistair
Davey, Mr. Edward
David, Mr. Wayne
Davies, Mr. Quentin
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Ennis, Jeff
Etherington, Bill
Farrelly, Paul
Featherstone, Lynne
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, rh Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Don
Foster, Michael Jabez *(Hastings and Rye)*
Gardiner, Barry
George, Andrew
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gidley, Sandra
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hancock, Mr. Mike
Hanson, rh Mr. David
Harman, rh Ms Harriet
Harris, Dr. Evan
Harvey, Nick
Havard, Mr. Dai
Healey, John
Hemming, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Holmes, Paul
Hood, Mr. Jim
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Horwood, Martin
Howarth, David
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Hughes, Simon
Huhne, Chris
Humble, Mrs. Joan
Hunter, Mark
Iddon, Dr. Brian
Illsley, Mr. Eric
Ingram, rh Mr. Adam
Irranca-Davies, Huw
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lamb, Norman
Lammy, Mr. David
Laws, Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
Mackinlay, Andrew
MacShane, rh Mr. Denis
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonagh, Siobhain
McDonnell, John
McFadden, Mr. Pat
McFall, rh John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McNulty, rh Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, rh Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mulholland, Greg
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
Olner, Mr. Bill
Öpik, Lembit
Owen, Albert
Palmer, Dr. Nick
Plaskitt, Mr. James
Prentice, Bridget
Prentice, Mr. Gordon
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Purnell, rh James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Rennie, Willie
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rogerson, Dan
Rooney, Mr. Terry
Rowen, Paul
Ruane, Chris
Russell, Bob
Russell, Christine
Salter, Martin
Sanders, Mr. Adrian
Seabeck, Alison
Sharma, Mr. Virendra
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simpson, Alan
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andy
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Soulsby, Sir Peter
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stoate, Dr. Howard
Straw, rh Mr. Jack
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Mr. Gerry
Swinson, Jo
Tami, Mark
Taylor, Ms Dari
Taylor, David
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thomas, Mr. Gareth
Thornberry, Emily
Timms, rh Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, rh Mr. Don
Trickett, Jon
Turner, Dr. Desmond
Twigg, Derek
Ussher, Kitty
Vaz, rh Keith
Vis, Dr. Rudi
Walley, Joan
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Webb, Steve
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wills, Mr. Michael
Wilson, Phil
Winnick, Mr. David
Winterton, rh Ms Rosie
Wood, Mike
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek
Younger-Ross, Richard

Tellers for the Noes:
Mr. Michael Foster and
Claire Ward

Question accordingly negatived.

Question, That the proposed words be there added, *put forthwith, pursuant to Standing Order No. 31 (Questions on amendments), and agreed to.*

MR. DEPUTY SPEAKER *declared the main Question, as amended, to be agreed to.*

Resolved,

That this House recognises the pressure that the increase in fuel prices, caused by pressures from the international oil market, has put on business and families; welcomes the Chancellor's decision to defer the planned two pence per litre increase in fuel duty that was due to take place in April 2008; notes that while fuel prices have increased by over 20 per cent. since last October, fuel duty has stayed constant; also notes that had the escalator introduced in 1993 been in place since 1999, fuel duty would now be 29 pence per litre higher; supports the Government's global leadership on this issue, in particular at the recent Jeddah Energy Meeting, and welcomes the Government's intention to host a follow up to this meeting in London later this year; further recognises that the Government does not receive a significant windfall when oil prices rise, because any additional revenues from the North Sea are likely to be offset by other effects; and therefore further notes that a system which would automatically cut fuel duty when oil prices rise would be destabilising, creating volatility for the public finances and uncertainty for the financing of public services, and would create considerable pressure for tax increases elsewhere.

BUSINESS OF THE HOUSE

Motion made, and Question put forthwith, pursuant to Standing Order No. 15 (Exempted business),

That, at this day's sitting, Consideration of Lords Amendments to the Criminal Evidence (Witness Anonymity) Bill may be proceeded with, though opposed, until any hour.—*[Alison Seabeck.]*

Question agreed to.

Criminal Evidence (Witness Anonymity) Bill

Lords amendments considered.

Clause 3

APPLICATIONS

Lords amendment: No. 1.

7.16 pm

The Parliamentary Under-Secretary of State for Justice (Maria Eagle): I beg to move, That this House agrees with the Lords in the said amendment.

Mr. Deputy Speaker (Sir Michael Lord): With this it will be convenient to discuss Lords amendment No. 2.

Maria Eagle: Lords amendment No. 1 is designed largely with the avoidance of doubt in mind. We wish to prevent unnecessary legal argument arising about the effect of the emergency legislation that will come into force on Royal Assent. The amendment puts beyond doubt that, even following the abolition of the common law in relation to such applications, the identity of witnesses can be withheld from the defence before and during the making of an application for a witness anonymity order.

The amendment therefore makes it clear in the Bill that the party making the application is under no obligation to disclose the real identity of a witness to other parties at the application stage, with a saving for the disclosure of a defence witness's real identity to the prosecutor. In addition, where it is proposed that an order should be made, the amendment makes it clear that the identity of witnesses can be protected in the proceedings before the application is made, for example, during committal proceedings.

Lords amendment No. 1 also addresses a question raised by amendments tabled in the other place. The issue is whether the court must always know the identity of the witness. In the vast majority of cases, it will do so, but very occasionally there may be national security-related cases where even the court will not know, and will not want to know, the identity of a witness. For that reason, the amendment does not include an absolute requirement to disclose the identity of the witness to the court. Rather, it grants the court a power to waive the disclosure to the court of the real identity of a witness on a case-by-case basis. We envisage that the real identity of a witness will be disclosed to the court in the vast majority of cases.

Finally, Lords amendment No. 2 makes it clear that the power of the criminal procedure rule committee to set out further procedures relating to witness anonymity in criminal procedure rules is unaffected. It is likely that the rule committee will want to make specific rules, as soon as possible, to set out the mechanics of applications for these orders. Indeed, the committee is meeting on Friday, when it will be invited to discuss this very matter.

Mr. Edward Garnier (Harborough) (Con): I shall begin by dealing with Lords amendment No. 2, in respect of which I simply ask the Minister to confirm that the rules bringing this procedure into effect will be made as quickly as possible. She mentioned that the committee will be sitting fairly soon. It is important, however, that despite the emergency nature of this legislation, the practitioners and courts see the rules as soon as possible.

Amendment No. 1 provides us with an object lesson of what happens when one legislates without proper care and with a great deal of speed but without much consideration. Lord Hunt of Kings Heath, the Minister in the other place, spent about four of the five minutes of his speech apologising when he explained why the amendment was introduced at the last moment. He was right to do so. I notice that the Minister did not find it convenient to do it here, but I am sure that in the back of her mind was the need to apologise to this House for that late amendment.

We do not want to press the matter to a Division, but we think that a degree of clarification is required at this late stage. First, what effect does the late Government amendment have on the prosecution's duty to give full disclosure in a criminal case? It is not clear from what the Minister said how or whether that duty is affected. Secondly, will she explain precisely what has been abolished in relation to the common law as it was thought to be until the House of Lords judgment on the Davis case?

Clause 1(2) states:

> "The common law rules relating to the power of a court to make an order for securing that the identity of a witness in criminal proceedings is withheld from the defendant (or, on a defence application, from other defendants) are abolished."

Yet clause 5(2), which deals with relevant considerations that have to be taken into account before a court is satisfied that the conditions for making an order have been fulfilled, states in paragraph (a) that those considerations include

> "the general right of a defendant in criminal proceedings to know the identity of a witness in the proceedings".

Of course, that takes us back to the common law position. The Government need to explain, even at this late hour, what they intend by clause 1(2). Having said all that, I trust that the Minister is looking forward to her happy hols.

David Howarth (Cambridge) (LD): On amendment No. 2, I have nothing to add to what the hon. and learned Member for Harborough (Mr. Garnier) just said. However, I have a point to make and a question to ask about amendment No. 1. When we debated amendment No. 35 to clause 3(2) last week it became very clear that that clause was trying to cover too many different possible cases with too few rules.

I welcome the fact that the new version of clause 3(2) provides more detailed provisions. I particularly welcome the addition of the obligation to disclose the identity of the proposed anonymous witness to the court. That is an important improvement. I also welcome the fact that the new version pays more attention to the procedure for making those orders. I am still very concerned about the lack of equal treatment between anonymous witnesses proposed by the defence and those proposed by the prosecution. Under the new version of clause 3(2), when the defence applies for a witness anonymity order, it still has to disclose the identity of that witness not only to the court but to the prosecution. That is not the case the other way around.

When we debated the matter last week, the argument was made that the prosecution needed to know the identity of the witness in order to fulfil its duties, which were also mentioned by the hon. and learned Member for Harborough, of disclosure to other defendants in multiple defendant cases. The problem with that is that it is precisely in those cases that everyone is agreed that we do not want material that identifies the witness to go to the other defendants as it is usually the criminal associates of the other defendants who cause the trouble and the fear.

In fact, the new version of clause 3(2) specifically states that there is no obligation on the defence to disclose to the other defendants material that might tend to identify. The problem is that if there is an obligation on the prosecution to disclose and the prosecution receives information that might tend to identify the witness, the prosecution might find itself obliged under the disclosure rules to disclose that information to the other defendants. The effect of that would be that what the Bill is attempting to ban directly might occur indirectly. I cannot find anything in the Criminal Procedure and Investigations Act 1996 that might prevent that, so there is a serious problem with how the Bill is worded.

I still have a more fundamental problem with the imbalance between prosecution and defence. There is still a human rights problem, because article 6.3(d) of the European convention on human rights requires witnesses for the defence to be examined on the same basis as those for the prosecution. It was argued last week that the difference between the two sides is that the prosecution would know the previous convictions of a proposed witness and would put them to the court when the court was deciding whether to make an order. It was said that the same would not apply to the defence because it would not necessarily know the true picture of the defence witness's antecedents, and the Lord Chancellor made the point that people are not often entirely honest about previous convictions.

The problem with that is that I am not entirely sure that the prosecution always puts a witness's previous convictions to the court—at least not under the previous, rather informal procedure. Secondly, when the court is faced with a decision about whether to grant an order, it knows that it will not have the same information about a defence witness as it does about a prosecution witness. Even if it does not know that, the court can be reminded by the prosecution that it does not have the same information that is available for a prosecution witness. The court can take that into account when deciding whether to grant an order.

In any case, if the defence thinks that it might not get an order because it is not in the same position with regard to a witness's previous convictions, it can supply those previous convictions itself. It is an oddity of the Criminal Records Bureau legislation that people cannot undertake a CRB check on themselves, but that they can get around that by submitting a data protection request to the police national computer. It seems to me that it should be up to the defence to decide whether it wants that to happen.

I am still not convinced of the underlying argument, especially as I believe that the proposal for an independent counsel offered a better route. I still think that that would solve more effectively the problems that I have set out. I have to say that I was rather disappointed by the House of Lords decision in respect of the independent counsel issue. The Conservative spokesperson said that he supported the idea—

Mr. Deputy Speaker: Order. I think that the hon. Gentleman is dealing with amendments that have been defeated in the other place. They are not really things that we should be discussing this evening.

David Howarth: I accept that, Mr. Deputy Speaker, but my point was that a different aspect of the independent counsel proposal was raised twice—first in connection with this amendment and specifically because it offered an alternative way of dealing with this problem, and then later by itself. I still think that it is relevant to say that I was disappointed by what happened in the other place, where the Conservative party was slightly feeble.

Nevertheless, and even though we still disagree on the fundamental point about equality of treatment, I hope that the Minister will be able to answer the more specific question. Is it intended that it should be possible for sensitive information about identity to be released to other defendants in multiple defendant cases in the indirect way that I have described? The obvious intention of Lords amendment No. 1 is to stop that happening directly.

Maria Eagle: With the leave of the House, Mr. Deputy Speaker, I should like to answer the questions that have been raised.

The hon. and learned Member for Harborough (Mr. Garnier) asked about the rules. I think that the fact that the rules committee is meeting on Friday indicates that it intends to move swiftly. We hope that the rules will be produced as soon as is practicable, commensurate with the consideration that the committee must give to what they should say. On his question about what precisely is being abolished, I draw his attention to *Hansard*, where my noble Friend the Attorney-General made it clear that

> "We are dealing only with the common law ability to grant anonymity orders, which the Judicial Committee said we cannot use, and we are substituting a statutory framework by way of the provision."—[*Official Report, House of Lords*, 15 July 2008; Vol. 703, c. 1107.]

What is being abolished is not the ancient common-law right to confront one's accuser, but the system that had grown up in the court for creating anonymity orders. That is being replaced by the statute before us.

7.30 pm

Mr. Garnier: As the hon. Lady has been good enough to refer me to what the Attorney-General said in the other place, may I ask her to bear in mind the point made by the noble and learned Lord Lloyd of Berwick? He asked the Attorney-General:

> "Does the noble and learned Baroness agree that, once the principle is established, the worst solution would be to have common-law rules and statutory rules running side by side? That always leads to confusion."—[*Official Report, House of Lords*, 15 July 2008; Vol. 703, c. 1108.]

For the record, we need to be clear whether the Government accept the thrust of Lord Lloyd's suggestion.

Maria Eagle: Indeed, but I hope to be able to assure the hon. and learned Gentleman that what he suggests is not what is happening. The legislation before us, and any refinement of it in the forthcoming Bill, is about dealing with the rules for anonymity orders, for which a Judicial Committee of the House of Lords said that there was no common-law power. There will not be two sets of rules running in parallel. The legislation sets out the statutory rules for granting an anonymity order. I hope that that clarifies the matter.

The hon. Member for Cambridge (David Howarth) made some esoteric points, if he does not mind me saying so. I enjoyed hearing a Liberal Democrat say that the Tories were being feeble.

Mr. David Heath (Somerton and Frome) (LD): They always are.

Maria Eagle: They always are, apparently.

Let me try to reassure the hon. Member for Cambridge, because he made an important point to which the hon. and learned Member for Harborough also alluded. Where the defendant has told the prosecutor of the witness's real identity for the purpose of making an application for a witness anonymity order under the Bill, the prosecutor will have to consider whether that material is potentially disclosable under the Criminal Procedure and Investigations Act 1996, which the hon. Member for Cambridge has clearly read this afternoon. Under section 3(6) of that Act, the prosecutor already has the power to make an application to the court to withhold such material if it is not in the public interest to disclose it. In practice, we expect that the courts will deal with any prosecutor's duty when it makes the determination in respect of the defendant's application for the witness anonymity order. In practice, over the next few months, we will be in a position to see how that works, and no doubt we will be able to take any action that needs to be taken in the light of that experience when we reconsider the legislation in proceedings on the Law Reform, Victims and Witnesses Bill. I think that I have dealt with the points raised, and I reiterate the fact that we support the Lords amendments.

The Secretary of State for Justice and Lord Chancellor (Mr. Jack Straw): I think that these proceedings are about to conclude, so if I may detain the House for a second, I should like to put on record my thanks to the official Opposition and the Liberal Democrats, in both Houses, for the co-operation that we received, both in the Chambers and, as it were, behind the Chair. It was important to complete proceedings on the Bill as quickly as possible. It is the duty of the Opposition to oppose, but they have done so in a very constructive way, recognising the imperative to get the legislation through its stages. I also thank the officials in my Department and parliamentary counsel for all the work that they have undertaken in double-quick time.

Lords amendment agreed to.

Lords amendment No. 2 agreed to.

DELEGATED LEGISLATION

Madam Deputy Speaker (Sylvia Heal): With the leave of the House, we shall take together motions 4 and 5.

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Delegated Legislation Committees),

IMMIGRATION

That the draft Immigration (Supply of Information to the Secretary of State for Immigration Purposes) Order 2008, which was laid before this House on 19th June, be approved.

TERMS AND CONDITIONS OF EMPLOYMENT

That the draft Maternity and Parental Leave etc. and the Paternity and Adoption Leave (Amendment) Regulations 2008, which were laid before this House on 30th June, be approved.—*[Alison Seabeck.]*

Question agreed to.

BUSINESS OF THE HOUSE

Madam Deputy Speaker: With the leave of the House, we shall take together motions 6 and 7.

Ordered,

That, at the sitting on Thursday 17th July, the Speaker shall put the Questions necessary to dispose of proceedings on the Motions in the name of the Prime Minister relating to the Intelligence and Security Committee not later than Six o'clock; such Questions shall include the Questions on any Amendments selected by the Speaker which may then be moved; the Questions may be put after the moment of interruption; and Standing Order No. 41A (Deferred divisions) shall not apply.

Ordered,

That, at the sitting on Monday 21st July, notwithstanding the provisions of Standing Order No. 16 (Proceedings under an Act or on European Union documents), the Speaker shall put the Questions necessary to dispose of proceedings on—

(1) the Motions in the name of Sir Peter Viggers relating to the Electoral Commission one hour after the commencement of proceedings on the first such Motion; and

(2) the Motion in the name of Secretary Jack Straw relating to Data Protection and Freedom of Information one hour after the commencement of proceedings on that Motion;

in each case proceedings may continue though opposed after the moment of interruption; and Standing Order No. 41A (Deferred divisions) shall not apply.—*[Alison Seabeck.]*

PETITIONS

HMRC Work Force Change (Lincolnshire)

7.35 pm

Mark Simmonds (Boston and Skegness) (Con): I wish to present a petition signed by approximately 1,500 people on behalf of the staff and customers of the Revenue and Customs office in Boston, Lincolnshire.

The petitioners declare that they are concerned about cuts to public services, particularly the proposed closure of the HMRC office in Boston, which could have detrimental impacts not only on the staff of the office but on the many businesses and individuals who use the office, and would result in more traffic on Boston's already congested roads.

The petitioners therefore request that the House of Commons urge Her Majesty's Treasury to work to ensure that the HMRC office in Boston remains open.

Following is the full text of the petition:

[The Petition of staff and customers of the Revenue and Customs Office in Boston, Lincolnshire,

Declares that they are concerned about cuts to public services, particularly the proposed closure of the HMRC office in Boston.

The Petitioners therefore request that the House of Commons urges HM Treasury to reconsider the decision to close the office in Boston, which provides an excellent service to local people.

And the Petitioners remain, etc.]

[P000234]

Planning and Development (Heathrow)

7.36 pm

John McDonnell (Hayes and Harlington) (Lab): I wish to present a petition on behalf of the supporters of the campaign to save Cherry Lane cemetery. The background to the petition is that the British Airports Authority has submitted its proposals to extend Heathrow airport, and the road proposals linked to the airport. The roads run through Cherry Lane cemetery, which is the only operational cemetery within my constituency, and is where many of my constituents have buried their loved ones.

The campaign to save the cemetery has collected 8,000 signatures online and in hard copy. I wish to pay tribute to the campaigners and the campaign team, in particular Natasha La Mothe and her mother and family friends who have collected so many signatures on the petition.

Following is the full text of the petition:

[The Petition of the Supporters of the Campaign to Save Cherry Lane Cemetery,

Declares that the proposal by the British Airports Authority to construct an access road to the proposed Third Runway and Sixth Terminal at Heathrow Airport through Cherry Lane Cemetery, which is the only functioning cemetery in this part of the London Borough of Hillingdon, is an act of outrageous, sacrilegious destruction, which is causing considerable distress to the families of loved ones buried at the cemetery and concern to the local community.

The Petitioners therefore request that the House of Commons calls upon the Government to reject this proposal and safeguard this site.

And the Petitioners remain, etc.]

[P000235]

Home Information Packs

Motion made, and Question proposed, That this House do now adjourn.—*[Alison Seabeck.]*

7.37 pm

Angela Browning (Tiverton and Honiton) (Con): It is less than a year since the Government made it a statutory requirement for sellers of domestic properties to provide and pay for, at their own expense, home information packs. It is now clear that the Government have introduced HIPs without proper preparation of the process that is to be followed, they are of questionable value to those who buy a home, they are an additional expense to those who are selling a home, particularly in what is frequently referred to as a turbulent housing market, they do not speed up the process of conveyancing, and the energy efficiency component is neither reliable nor worth the money that is spent on it. Despite the fact that HIPs were subject to frequent debate in the House and also subject to many U-turns on the part of the Government in terms of how they would or would not introduce them, none the less the Minister at the time, the right hon. Member for Pontefract and Castleford (Yvette Cooper), now the Chief Secretary to the Treasury, repeatedly espoused them as valuable, often likening the process to buying a fridge or identifying the need to change the light bulbs.

In less than a year since the full introduction of HIPs, we have seen several reports from independent bodies that have identified the real weakness in the system. I refer first to the Leeds Legal report by professional lawyers in Leeds, which came out only this month. It states:

> "Fifty-seven per cent. of people questioned in the national research for Leeds Legal, an alliance of the city's major law firms, said the time has come to ditch the packs, introduced by the Government last August in a bid to simplify and speed-up the home buying process."

Mr. Stephen Pickard, head of residential property at law firm Lupton Fawcett and a Leeds Legal spokesperson, said:

> "Our finding that a clear majority of people now want Hips abolished will come as an eye-opener to many and a blow to the Government.
>
> It will be no surprise to many professionals, however. Most of the buyers I've acted for since Hips were introduced have regarded the content of the packs as so unreliable they've commissioned providers like me to supply the information independently."

It sounds as though people are so disenchanted with HIPs that they are paying twice. Mr. Pickard goes on:

> "Given the current credit crunch, most buyers are far more concerned about securing funds for their purchases than they are about receiving Hips, which they seem to regard as a complete waste of time and money."

Furthermore, it is not just the sellers who have to part with money—and I have had reports of this fact, and personal experience of it. If someone wants to have a look at a HIP for a property, even one for which they have made an offer, they can look at it online. However, if they want to receive a hard copy, costs are involved and there is also a cost to the purchaser. I should like the Minister to look into that issue particularly, because it seems that money is being paid out at both ends.

The recently produced Carsberg review of residential property was commissioned by the Royal Institution of Chartered Surveyors, the Association of Residential Letting Agents and the National Association of Estate Agents. It is very comprehensive and includes a chapter on HIPs, which states:

> "I understand that, to date, few buyers have shown an interest in the HIP".

So we now know that despite the fact that sellers must by statute pay to have HIPs produced, a lot of buyers do not value them at all—do not even look at them. The review goes on:

> "a substantial number of conveyancers ignore its existence and recommission searches on receiving instructions from their buyer client, suggesting a lack of confidence in the limited content. This evidence alone indicates that the costs of HIPs are likely to exceed their benefits. Some would summarise the position by saying that the HIP provides the worst of all worlds—it omits much of the most useful information but still imposes significant costs on the property transaction."

The report recommends

> "that the Government should amend legislation on Home Information Packs to make them voluntary."

It is not only property market professionals who are disenchanted with HIPs; so, too, are those who represent consumers. I recall that when we had the debates on this subject, Which?, an eminent body representing consumers, was initially in favour of HIPs and very supportive of the Government's measures. Since then, however, the magazine *Which?*, published by the organisation, has, in April this year, run a report headed "Hips need a shake-up". It says:

> "The Law Society told us it considered Hips to be 'the worst piece of consumer legislation in 50 years'".

That is quite an indictment of how the Government have forced this ill-thought-through legislation on to the statute book.

Which? quotes some of its members—the consumers themselves, who are paying out their money for HIPs. One member in Llandudno

> "wasn't impressed by her inspector's quote.
>
> The inspector figured that the total annual energy cost for her home would be £606, but she had just received an energy bill that showed she had used only £518 in the past year. She contacted the inspector and the agent, but they were not interested."

I have brought this debate to the Floor of the House tonight not only because, as we Conservatives said when HIPs were debated, the Government have not thought the issue through, but also because of information and representations from my constituency. My casework shows the flawed system and the anger that people start to feel when they pay out good money to so-called professionals who clearly are not professionals and are not properly trained, because they have to go through a process that the Government have not thought through.

A constituent, who will remain anonymous—she is a lady who lives in Awliscombe—wrote to me to say:

> "the energy efficiency rating and the CO_2 rating I felt were only 'average' when I eventually saw the graphs. I asked to see the report (why is the vendor not given a copy?), and was horrified by what I read. My house has three solar collector panels on the roof, yet the report suggested that solar heating be installed!"

How can anybody have any confidence in somebody assessing a property for its energy efficiency if they fail to notice the solar panels put on the roof, at great expense to the householder, let alone add that to their assessment? Furthermore, they assumed that there was a solid floor when in fact there was not.

[Angela Browning]

I have raised this issue on the Floor of the House before. On 18 December, during the Christmas Adjournment debate, I described the case of Mr. Dyke of Dunkeswell, about which I have had correspondence with the Minister. The problem that Mr. Dyke identified—I have visited his home, so I am very familiar with it—is typical of what must apply not only in my Devon constituency but around the country. When the Government introduced the process for assessing properties, particularly the energy performance certificate, they used a form of matrix that clearly was trialled only on modern properties. The tick-box procedures that the assessors go through mean that they have great difficulty in accurately identifying the merits of the energy efficiency of older houses, of which we have a great many in Devon. Very old houses are added to over the years and the centuries, and improvements are made to them. If people are to be expected to pay out of their own money for such a certificate, they will expect, whatever the construction or age of the property, that the people coming to carry out the process are able to do it competently and professionally. When I tabled parliamentary questions to the Minister's predecessor, I received some disturbing answers.

One of my concerns as regards older buildings is the way in which cob walls are assessed. We have a lot of those in Devon—they are very thick walls that have good insulating properties. Another material that has been used to construct many Devon properties is wattle and daub—although it is not used nowadays. This flags up the fact that the major building regulations were last changed in the 1960s, when there was a big push to reform them. However, the thinking behind the Government's home information packs seems to be that properties built since 1960 are typical of all properties that are assessed. There are a lot of anomalies. For example, people with solid-fuel Agas or wood burners, which are deemed to be carbon-neutral, are not even given a credit rating on their energy assessment for those types of heaters and cookers. For some of the older properties, there is no proper consideration of the amount of double glazing, which I would have thought pretty fundamental when assessing their energy efficiency.

The SAP—standard assessment procedure—is the Government's approved procedure for calculating an energy rating. It is based only on modern houses. The process for a reduced data SAP, which many of my constituents in older properties have come across, is so flawed that they, like Mr. Dyke, have had to take professional advice. He said that he had a professional benchmark, because in 1998 a properly approved, qualified architect had rated his property with a SAP of 60. When he had the HIP done to sell the property, the SAP was reduced to 44. He therefore started to ask a lot of questions and to negotiate with the powers that be, especially the national home energy rating people, because he wanted to identify the problem and discover why the SAP was lower now, albeit with reduced data, than it was when an architect examined the property.

There is a long list of items that the reduced SAPs cannot take into account because of the procedure that the Government have introduced and which the assessors have to implement. I will not go through the whole list tonight because I mentioned many items—they are on the record in *Hansard*—when I raised Mr. Dyke's case in December.

Mr. Dyke wrote:

> "Whilst awaiting the response from Ms Cooper I was not idle and entered into negotiation with NHER who were forced to accept that the reduced data SAP methodology could not work on renovated or even modified buildings. They tasked their software people to declare some of the facts who came back to me with the enclosed technical document that formally acknowledged the following:
>
> Wall insulation is not accurately reflected.
>
> Roof insulation assumed in respect of the age of the building…
>
> RDSAP cannot reflect retro fitted, under-floor insulation."

The long list goes on and on. It tells even a lay person that people are being unfairly treated. They pay good money up front, but there is a negative impact on their energy performance certificate. They have to pay a lot of money for something that is not accurate. The Government must do something.

Mr. Dyke is a persistent man, and I am grateful to him because he has taught me a lot about HIPs and energy performance certificates. He managed to negotiate with the national home energy rating scheme an agreement that he could write, with its approval, on his official energy performance certificate and on the estate agent's documentation:

> "Since the introduction of the HIP legislation, the assessment procedure used for producing the energy performance certificate (EPC) has been monitored. The EPC is a comparison tool and there are limitations in the model that may lead to a property like this"—

meaning like Mr. Dyke's house—

> "being rated lower than is actually the case. Further information can be obtained from the Agents and detailed literature is included within the Home Information Pack appertaining to this property."

In other words, through his persistence, Mr. Dyke managed to get NHER to admit in writing that there is a defect in the process.

The point that I want to make strongly to the Under-Secretary is that what applies to Mr. Dyke's property surely must apply to thousands of other older homes throughout the country. The lady with the solar panels that were not noticed asked whether I could bring the matter to the attention of the relevant authorities, because trading standards should have an interest in it. That is a pertinent point. If the Government are forcing people to pay money not only for a flawed process but for the unsatisfactory standards applied by those who undertake it, and those people consequently suffer material loss, I hope that every trading standards department in the country will take an interest.

The Under-Secretary may wish to consult NHER on this matter, because if it has put such a statement in writing for one property, that must apply to others. I would like a written response from the Under-Secretary about how he evaluates that damning report that my constituent managed to get.

I tabled written questions on this subject, and I was horrified by, for example, the fact that—unless the Under-Secretary tells me differently—the Government have no plan for people who have paid for the energy performance certificate to receive a copy, so that they can identify the problems early. Why can they not be given a copy if they have paid for one?

I have other questions, which I shall not go into because of the lack of time, but I am sure that the Minister's Department has done its homework and identified the fact that I tabled some written questions earlier in the year. The Department seems to have put the scheme in place long before it had worked through the models that would work, and before it had a system in place that would work for all properties. That is a shambles. Those reports—independent reports, from professionals and consumers—deserve the Department's attention. I hope that the Minister will tell me that the Government were hasty and ill-prepared, that they got this wrong, and that they are now going to do something about it.

7.55 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (Mr. Iain Wright): I congratulate the hon. Member for Tiverton and Honiton (Angela Browning) on securing this debate. I know that she takes a close interest in home information packs and energy performance certificates. She has mentioned her contributions to debates in the House on the subject, and I have seen recent written parliamentary questions to my right hon. Friend the Minister for Housing that demonstrate her commitment to her constituency.

I am grateful to the hon. Lady for giving me the opportunity to deal with her concerns tonight. I understand from her contribution that she is concerned with three broad aspects of HIPs and EPCs: the value of HIPs and the policy framework; buyers not being interested in HIPs; and—the key part of her contribution—poor quality HIPs, HIP providers and EPCs. Let me take each of those in turn.

On the value of HIPs, I am not convinced—in fact, quite the reverse—that the current house buying and selling process has so far provided clear, transparent information for people who are undertaking probably their biggest financial transaction. It is not right, for example, that people in this country have to wait the longest time in Europe to buy or sell a house. The introduction of HIPs has helped to start to address those problems.

Hon. Members in all parts of the House recognise that the EPC can play a vital role in helping us to achieve our carbon emissions objectives, as well as helping consumers to save money on their fuel bills, which is something to which I shall return later in my contribution. It is vital that the EPC provides information of genuine value and is appropriate to the property being reported on. It is equally important that the people who produce the report are competent. Again, I shall come to that in a moment.

I am sure that the hon. Lady will agree, however, that we are seeing value in HIPs. On average, there have been savings of around £30 on property search costs, which in some areas have fallen by £120 since the introduction of HIPs. Important information on energy efficiency is now being delivered to consumers as part of HIPs.

More than 750,000 HIPs have now been produced, with EPCs providing information to sellers and prospective buyers alike on measures to improve the energy efficiency of their homes. According to the Energy Saving Trust, consumers can save on average £300 a year on their fuel bills if owners follow the improvements recommended by the EPC. Throughout the country, that could produce £100 million of savings on energy bills.

Angela Browning: But surely the report by the consortium of Leeds lawyers shows that the issue is not about reducing conveyancing costs, but about whether people feel that the HIP is a reliable substitute for the normal paperwork that would be involved in conveyancing a property. The fact of the matter is that it is not. If we are talking about a modern property that is still under an NHER 10-year guarantee, one can understand people not bothering too much about the HIP, which means that such transactions are therefore pretty straightforward. However, for all those pre-1960 properties, some of which will be hundreds of years old, the conveyancing is quite complex. If the lawyers are telling the Minister that people are not relying on HIPs, he should really take notice of that.

Mr. Wright: I will come on to that point, but let me turn to the second point that the hon. Lady made, which she touched on in her intervention, too, about buyers simply not being interested in HIPs. I disagree with her quite fundamentally about that. When consumers see HIPs, they see their benefits and they see real cost savings that help to improve the decision-making process for them. However, I think that there is a problem at the moment with estate agents not showing HIPs. We need to do more to encourage estate agents and others to show HIPs to home buyers and sellers, as well as encouraging consumers to ask for them when they are interested in a particular property. All the indications are that HIPs improve the home buying and selling process. Having said that, I take the hon. Lady's point that home buyers are not being shown the HIP at present.

My officials are currently drafting correspondence to estate agent bodies, saying they should be more proactive in making buyers aware of the HIP and the EPC as early as possible. The correspondence will remind them of their statutory duties with regard to the timely provision of an HIP and an EPC. It will also point out that agents who fail to make an EPC available risk making the owner of the property liable to pay a financial penalty imposed by the local trading standards officer.

Angela Browning *rose—*

Mr. Wright: I will give way again, but I am keen to get to the meat of my contribution.

Angela Browning: I would like the Minister to comment on the fact that some people are having to pay to receive a copy of the HIP when they want to buy a property.

Mr. Wright: I will certainly look into the point that the hon. Lady raises. We are keen to make it as quick as possible for home buyers and sellers to access the relevant information, and one of the ways of doing that is through online and e-conveyancing. I suggest that, if an estate agent is charging a fee for a hard copy, there is nothing to stop buyers printing a copy at home, if they so choose and if that option is available to them. The whole point is to try to rationalise the costs as much as possible.

I want to move on to the central point of the hon. Lady's contribution, namely, the poor quality of HIPs and HIP providers. Given the policy objectives for HIPs—a greater degree of transparency in the home buying and selling process, more appropriate and up-front information, and higher levels of confidence—it is

[Mr. Iain Wright]

important for consumers to have clear routes to complain and obtain redress when standards have not been as high as they should have been.

Most HIP providers subscribe to the HIP code. The HIP code provides protection for home buyers, sellers, estate agents, conveyancers and mortgage lenders who rely on the information included in a HIP provided on residential property in England and Wales. It sets out minimum standards which HIP providers have to meet. As part of the code, there is a formal written complaints procedure for handling complaints in a fair and prompt manner. The complaints procedure promises that complaints will be acknowledged within five working days of receipt, and normally dealt with fully within four weeks. If the consumer remains unsatisfied, they have the right to refer the complaint to the independent property codes adjudication scheme. The HIP code states that all providers who subscribe will fully co-operate fully with the independent adjudicator and comply with any decision reached.

In addition, all HIPs and their providers who comply with the code will display the HIP code logo prominently on their literature and on the HIP itself. It is also possible for consumers to check whether a specific HIP provider subscribes to the code by contacting the Property Codes Compliance Board. In this way, reassurance should be provided to home buyers and sellers regarding the quality of the product that they are using and the professionalism of the firm that is providing it.

Let me move on to the key point. Now that HIPs and EPCs have been up and running for 12 months, we can look at certain difficulties that we have encountered, particularly in relation to non-standard buildings. As the hon. Lady suggested, buildings in this country span a period from the middle ages to the modern day. Given the wide range of ages, spanning perhaps 700 years, it is perhaps understandable that we have had some degree of difficulty in regard to the operation of EPCs and HIPs.

The software used to produce the EPC is called the reduced data standard assessment procedure—RDSAP—and it takes account of a wide range of features in a property, including its age and dimensions, the material used to construct it and whether there is cavity wall insulation, double glazing and so on. To keep the costs reasonable, the software has been developed to be simple enough to achieve consistency and to avoid requiring energy assessors to spend an unnecessarily long time on site. Since August 2007, something like 860,000 EPCs have been produced using this software, and the accuracy of the vast majority of these has achieved the agreed professional level.

I am sure the hon. Lady would acknowledge that a balance must be struck between the time spent assessing a building, the associated costs of producing the HIP and the EPC, and ensuring that all appropriate features should be taken into account. As she mentioned, at present the software cannot take into account every possible feature in the insulation, the heating system controls and so on that a homeowner may have provided, and to input that at the start would have caused immense costs, making HIPs and EPCs uneconomic and counter-productive.

It is also important to point out that an EPC is designed to be a description of the energy performance of the building rather than a description of the building per se. Nevertheless, we recognise that in a small number of cases, the RDSAP may not reflect the full complexity of a property. We will therefore update the software in September to allow additional data input where it is considered appropriate by the energy assessor.

The hon. Lady will recall that on 14 January, when my right hon. Friend the Member for Pontefract and Castleford (Yvette Cooper) was the Minister for Housing and Planning, she wrote to her and addressed Mr. Dyke's specific point about cob construction. In that letter, she said:

> "This issue has been recognised by my Department, and the software will be amended to include cob construction, although using the sandstone descriptor is not likely to impact the rating significantly."

I hope that that reassures the hon. Lady. In addition, if an owner wants unusual features to be taken into account, a full SAP calculation can be undertaken, but I am sure that the hon. Lady would recognise that that would need much more time and a more highly qualified assessor, so it would be likely to come in at greater cost.

In conclusion, I hope that I have reassured the hon. Lady in respect of the three points she made. She mentioned that she is unhappy with the performance of HIPs and EPCs. In the light of current economic difficulties and particularly the drying up of mortgage finance, I would suggest that the last thing required in the housing market is needless tinkering. In the current climate, the industry and consumers want as much certainty of information as possible. As regards escalating fuel bills, for example, which were caused by a trebling of oil prices on the world markets, the importance of information about energy performance has never been so timely. In such a turbulent time as we are experiencing, I believe that HIPs and EPCs are an important and stable part of rationalising the home buying and selling process.

Question put and agreed to.

Adjourned accordingly at seven minutes past Eight o'clock.

House of Commons

Thursday 17 July 2008

The House met at half-past Ten o'clock

PRAYERS

[Mr. Speaker *in the Chair*]

PRIVATE BUSINESS

London Local Authorities (Shopping Bags) Bill *(By Order)*

Order for Second Reading read.

To be read a Second time on Thursday 9 October.

Manchester City Council Bill *[Lords] (By Order)*

Order read for resumed adjourned debate on Second Reading (12 June).

Debate to be resumed on Thursday 9 October.

Bournemouth Borough Council Bill *[Lords] (By Order)*

Canterbury City Council Bill *(By Order)*

Leeds City Council Bill *(By Order)*

Nottingham City Council Bill *(By Order)*

Reading Borough Council Bill *(By Order)*

Orders for Second Reading read.

To be read a Second time on Thursday 9 October.

Oral Answers to Questions

ENVIRONMENT, FOOD AND RURAL AFFAIRS

The Secretary of State was asked—

Food Labelling

1. **Mrs. Linda Riordan** (Halifax) (Lab/Co-op): What recent discussions he has had with the Secretary of State for Health on the effectiveness of food labelling regulations in informing consumers of food content. [219287]

The Secretary of State for Environment, Food and Rural Affairs (Hilary Benn): I have had no recent discussions with the Secretary of State for Health on food labelling regulations, but I have met the chair of the Food Standards Agency to discuss the EU Commission's proposals.

Mrs. Riordan: There are no legal terms to define "vegetarian" or "vegan" in this country or the EU. What plans are there to define those terms in law, and how will they work with the FSA so that labelling complies with them, taking into account the fact one in 10 people are vegetarian?

Sir Patrick Cormack (South Staffordshire) (Con): He's a veggie Wedgie!

Hilary Benn: Yes, I suppose that I should declare an interest. As far as I am aware, there are no plans to define those two terms, certainly not as far as the Commission's proposals are concerned. The Commission's proposals will enable us—I am sure the whole House will welcome this—to deal with the problem that we face, which is that certain types of meat products can be described as British meat although the meat does not come from the UK.

Steve Webb (Northavon) (LD): One of the lessons of the food labelling that the Department of Health oversaw is that Tesco, which thinks it runs the country, did one thing, while other supermarkets and manufacturers did another. Is there a lesson in that when it comes to carbon labelling? Will DEFRA ensure that carbon labelling is done consistently across all products and not let one supermarket do its own thing?

Hilary Benn: There is of course a lively debate taking place about the traffic light system, which the FSA favours, and the guideline daily amounts. We have just completed a consultation on that, to which my right hon. Friend the Health Secretary will respond in due course, and the EU is proposing a framework that would allow national systems to be in place. On the other point that the hon. Gentleman raised, about consistency in carbon labelling, we certainly should aspire to achieve that.

David Wright (Telford) (Lab): What further discussions has my right hon. Friend had with the food industry on the labelling of trans fats and artificial fat products in food on sale both in supermarkets and other food outlets?

Hilary Benn: I have not discussed those issues directly, because they fall within the responsibility of my right hon. Friend the Secretary of State for Health.

Non-native Species

2. **Sir Peter Soulsby** (Leicester, South) (Lab): What steps his Department is taking against non-native invasive species. [219288]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Joan Ruddock): On 28 May, DEFRA launched the invasive non-native species framework strategy for Great Britain, jointly with the Scottish Executive and Welsh Assembly Government. The strategy contains measures to tackle invasive species, improve the effectiveness of legislation, integrate activities and programmes, and better focus research.

Sir Peter Soulsby: I thank my hon. Friend for her reply. I raise the issue on behalf of the tens of thousands up and down the land who weekly do battle with invasive non-native species. In my case, it is the Japanese knotweed, which until three years ago I would not even have recognised, but which has been identified as the species crowding out the other plants and wildlife at the bottom of our chapel garden. I am aware that getting rid of it is probably a five-year mission—in fact, the Japanese knotweed has been described to me as plant life, but not plant life as we know it. I urge the Minister to recognise that most people are totally unaware, as I was, of what non-native species look like or how to combat them. I urge her to redouble her efforts with the Environment Agency to raise public awareness of non-native species and how to deal with them and eradicate them.

Joan Ruddock: I am very grateful to my hon. Friend for raising the issue. He is absolutely right to say that the public need to be much more aware. That is of course one of the reasons why we have launched the strategy. As he said, Japanese knotweed is a very troublesome invasive species. Not only is it a problem for gardeners, but, more critically, it damages biodiversity. It has to be cleared from all construction sites, because it can grow through tarmac, and causes major difficulties on river banks, creating flood risk. We are doing a great deal on that, but we need to do much more. We have tasked a working group on media and communications with developing a clear plan, including consideration of how the Government can work with stakeholders to target audiences more effectively. There is information available on the website of the non-native species secretariat, and DEFRA makes available fact sheets

Mr. Andrew Robathan (Blaby) (Con): I am grateful to my parliamentary neighbour, the hon. Member for Leicester, South (Sir Peter Soulsby), for raising this issue. I am sure the whole House will remember the Eradication of Mink Bill in 1995—or possibly not. The point is that mink destroy any good work done for water voles through the biodiversity action plan, because they eat them. Will the Government take action to eradicate mink, which are doing huge damage to wildlife across the country?

Joan Ruddock: I am grateful to the hon. Gentleman for that contribution. I recently visited a site that was conserving water voles; indeed, the Department is doing a considerable amount of work in that respect. Some measures for dealing with mink are already in place. I will look further into what the hon. Gentleman suggests, but I do not believe that an eradication programme is likely to be successful.

Tony Baldry (Banbury) (Con): As the RSPB survey published today demonstrates, one is more likely to see green parakeets and hear cuckoos in the Thames valley nowadays, largely on account of habitat measures—protecting woodland, hay meadows and other valuable sites of special scientific interest such as Otmoor. That is one reason why—I want to flag this up to DEFRA Ministers—the Berkshire, Buckinghamshire and Oxfordshire wildlife trust is so opposed to Department for Communities and Local Government proposals for a so-called eco-town at western Otmoor. There are some real biodiversity issues there, so given that the machinery of government is based in Whitehall, I hope that DEFRA Ministers will be consulted on them.

Joan Ruddock: I commend the work of the hon. Gentleman's local trust; as a Department, we greatly value what it is doing. However, when it comes to eco-towns, a proper procedure is in place whereby all biodiversity and sustainable development issues have to be considered in the development plans. I give the hon. Gentleman the assurance that they will be.

Sir Patrick Cormack (South Staffordshire) (Con): Is the hon. Lady aware that the best way of dealing with the plague of mink that afflicts this country is to hunt them? Will she go and talk to Baroness Golding, our former revered colleague, who will tell her exactly how to set about doing that? As a preliminary, will the Minister say that she will repeal the ridiculous anti-hunting Bill?

Joan Ruddock: What a temptation is presented to me! I assure the House that there is absolutely no question of any repeal of the Hunting Act 2004, which was sought by the public and was supported by all the animal welfare charities. None the less, I am more than happy to look again at the issue of mink.

I might have said in response to the hon. Member for Banbury (Tony Baldry) who mentioned parakeets, that we are very concerned about a small colony that has established itself in north London. In some cases, eradication is the right way forward, as, indeed, with the action we are taking to deal with the ruddy duck.

Farm Security

3. **Sir Nicholas Winterton** (Macclesfield) (Con): What guidance his Department has issued to farmers and landowners on farm security. [219289]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Jonathan Shaw): As the hon. Gentleman will know, criminal activity that targets farmers is clearly a matter for the Home Office and the local police. My Department has, however, been in contact with the Association of Chief Police Officers because we were concerned that criminal activity targeting farmers was on the increase, and we wanted to ensure that there was good liaison between the National Farmers Union and the police. We have been assured that there is.

Sir Nicholas Winterton: I thank the Minister for that reply, but given that the figures show a substantial increase in thefts of low-cost red diesel from farmers across the country as well as of household oil of domestic dwellers in rural areas, and given that the cost of farm equipment theft rose by some 16.5 per cent. last year in the UK, what particular detailed discussions is the Department having with the Home Office and the police in order to put a stop to this very considerable cost to rural dwellers?

Jonathan Shaw: I am grateful to the hon. Gentleman for raising this important issue. As he said, red diesel is being stolen, along with valuable farm equipment and other materials that can be recycled and sold around the world. It is a sad phenomenon that globalisation is demanding more of the world's resources and that criminal activity is targeted at rural areas. We are in close contact with the Home Office, and, indeed, with ACPO. As I said, we want to make sure that there is good liaison between such organisations as the NFU and the police. We sympathise with farmers and many others who have been the victims of crime—there have even been deaths.

Mr. David Drew (Stroud) (Lab/Co-op): I hear what my hon. Friend says, and I sympathise with those landowners and farmers who have been affected, but surely one of the best ways to ensure that our countryside is secure is to allow appropriate development, particularly where there are redundant buildings, so that we get a living and working countryside and one that is more secure. I hope that DEFRA will talk to the Department for Communities and Local Government about how that will be possible in future.

Jonathan Shaw: I am grateful to my hon. Friend, who gives me an opportunity to advise the House of our minimum target of 10,300 new affordable rural dwellings, for which we have put in considerable resources. DEFRA and the DCLG are working closely together. We want families who are from the countryside to be able to remain in the countryside, and that is why we included the target for communities of fewer than 3,000 dwellings.

Mr. Philip Hollobone (Kettering) (Con): There are fewer crimes in the countryside than in our towns, but is it not the case that if a bicycle is stolen from a town centre it is recorded as one crime, while a combine harvester stolen from a field is also recorded as one crime? What can the Minister do with his colleagues in the Home Office to try to emphasise the disproportionate impact of the theft of agricultural equipment?

Jonathan Shaw: I am advised that we publish figures by value. The investment that farmers must make in agricultural equipment is considerable, and if a farmer cannot take their stock to slaughter or harvest their crops, the impact is not only on the farmer but on all of us. With less food, the prices will rise. As I said, we are in touch with other Departments, and good liaison between the local police, NFU and farmers is vital. We will do what we can to ensure a reduction in such crime. As a consequence of the phenomenon of globalisation, there is a pull on resources, but we must remain ever vigilant—not just farmers but everyone, whether rural, suburban or urban.

Mr. David Kidney (Stafford) (Lab): Obviously, the isolation of farms makes them vulnerable to crime in the first place. With high diesel prices and metal prices around the world, they have become more vulnerable to crime. A college in my constituency trains police officers around the country in specialist countryside crime issues, and my hon. Friend's Department already supports specialist wildlife crime issues. Will he work more closely with the police and farmers on adopting farm watch schemes, as we have neighbourhood watch and shop watch schemes, with his Department as the co-ordinator rather than the Home Office?

Jonathan Shaw: I am grateful to my hon. Friend for making those points. I assure the House that we take the issue extremely seriously, for all the reasons that I have set out. We want to work with the farming and rural communities so that the increase in recent months, and in the last year or so, does not continue. We will do what we can, and I will take back his suggestion of what more we could do. I will write to him with our conclusions.

Pollution (London)

4. **Mr. Greg Hands** (Hammersmith and Fulham) (Con): What recent discussions he has had with the Mayor of London on noise and air pollution in London. [219290]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Jonathan Shaw): I have had no recent discussions with the Mayor of London—[HON. MEMBERS: "Shame!"] He is a very busy man. The good news, however, is that my officials have been in discussions with their counterparts in the Greater London authority on the issue of air quality and pollution, and we will continue to have regular meetings at an official level.

Mr. Hands: Why does the Minister not support Boris's campaign against a sixth terminal and a third runway at Heathrow? The Government's own Environment Agency points to the risk of an increase in morbidity and mortality in densely populated areas of west London such as mine if that huge expansion goes ahead. When will the environmental voice be heard at the Cabinet table in discussion on Heathrow?

Jonathan Shaw: I would be delighted to meet the Mayor of London and I will ensure that my diary is available to him, but, as I say, he is a busy man. On Heathrow, the hon. Gentleman rightly brings forward the concerns of his constituents. The Secretary of State for Transport set out to the House on 8 July what we intend to do in terms of the consultation on Heathrow. The hon. Gentleman mentions the report from the Environment Agency. Obviously, all reports that are submitted in relation to the proposed expansion of Heathrow will be taken into account, as has been set out by the Secretary of State for Transport.

Mr. Andrew Love (Edmonton) (Lab/Co-op): The A406 North Circular road passes right through the middle of my constituency and 60,000 vehicles go in each direction every day, causing enormous noise and air pollution. Will my hon. Friend make it a priority to speak to the Mayor about air quality in particular? It is deteriorating daily and something needs to be done.

Jonathan Shaw: I am grateful to my hon. Friend, who sets out the concerns of his constituents in Edmonton about air quality. We have an air quality strategy, which sets out its purpose in London and the responsibilities of the Mayor. As I have said, I am more than happy to meet the Mayor to discuss how he, the Greater London authority and the Government can work best to reduce air pollution in London. My hon. Friend will know that London is a heavily polluted city, and that that pollution is principally brought about by traffic. What would life be like without the congestion charge in those parts of London? Pollution would be considerably higher.

Alan Simpson (Nottingham, South) (Lab): Every mile of car travel emits 12 times as much pollution as a mile of rail travel. In his discussions with the Mayor of

London, will the Minister consider commissioning a survey of the methods of reducing passenger and freight movements into and out of the capital and shifting them to rail? If we shifted the subsidies to non-road transport rather than the motorist, that would massively improve the quality of air in the capital.

Jonathan Shaw: This is going to be a long meeting! My hon. Friend will be aware that transport and trains are the responsibility of the Department for Transport. On freight, I can tell him that British Waterways is making a considerable contribution towards ensuring that aggregates being brought to the Olympic site will not be brought in lorries but by barges on canals. That is to be welcomed. Where we can do those things, we are, and the overall structure for ensuring that we keep pollution levels as low as possible for the development of the Olympics is, again, in the gift of the Mayor.

Marine Habitats

5. **Martin Salter** (Reading, West) (Lab): What steps his Department is taking to safeguard marine habitats. [219291]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Jonathan Shaw) *rose*—

Sir Patrick Cormack (South Staffordshire) (Con): You're busy this morning.

Jonathan Shaw: This is a bit of a one-man band today—*[Interruption.]* My right hon. Friend the Secretary of State says that he is right behind me, which is very reassuring.

The Government are committed to establishing by 2012 a network of well-managed marine protected areas that will conserve the richness of our marine environment.

Martin Salter: I congratulate the Minister on reshuffling his entire ministerial team. What contribution does he think the Severn barrage will make to aquatic life, bearing in mind the dire warnings from the powerful coalition of wildlife and fishery groups about the damage that the barrage will do to migratory fish runs of salmon and sea trout, which provide such vital income and recreational assets to the Wye, Usk and Severn catchment areas?

Jonathan Shaw: I am grateful to my hon. Friend, who has a proud and distinguished record as Labour's angling spokesman; he has a done a great deal that has been welcomed in all sections of the fishing community.

On the Severn barrage, I am well aware that the Severn and its tributaries, including the Wye and the Usk, are valuable spawning grounds for a number of important migratory fish, including salmon and eels. Our feasibility study will examine the possibility of developing the barrage, which could provide 5 per cent. of this country's electricity and make a huge contribution to our renewable efforts. However, we will need to balance that against the important environmental damage that would be caused. Those are the issues that confront us today, and we must make balanced choices. What my hon. Friend and anglers have said about the barrage will form part of our consideration as we move forward on the feasibility study.

Mr. Andrew Turner (Isle of Wight) (Con): What is the Minister doing to reduce the effect of the American crayfish and advantage the British crayfish?

Jonathan Shaw: The hon. Gentleman will be aware that in the Marine Bill we are introducing changes in respect of salmon and freshwater and migratory fish; there will be new measures to allow the Environment Agency to ensure that particular species are not put into waters where they can breed and have an impact on native species.

Sir Patrick Cormack: They are already there.

Jonathan Shaw: As the hon. Gentleman says from a sedentary position, they are already there. The Environment Agency is doing its best to tackle the issue, and we will be introducing further powers—this has been welcomed by the Environment Agency and by many anglers—to reduce these alien species and ensure that we protect our native species.

Mrs. Madeleine Moon (Bridgend) (Lab): Like my hon. Friend the Member for Reading, West (Martin Salter), I have great concerns about the Severn barrage. The Severn estuary not only has the second highest tidal range in the world, but in winter its mudflats, saltflats and rocky marshes provide vital breeding grounds and overwintering habitats for 65,000 birds, which feed on a huge variety of invertebrate, insect and, sadly, fish life in the estuary. Will the Minister assure me that he will take care to protect the biodiversity of the Severn estuary and ensure that if this plan does, foolishly, go ahead, compensatory habitat will be provided for all those species.

Jonathan Shaw: I am grateful to my hon. Friend for that question. Of course, all those measures will need to be considered in the feasibility study, which will last roughly two years and cost about £9 million. It is also important to take into account the fact that climate change is also impacting on wildlife and that we need to reduce our carbon levels. We may conclude that the Severn barrage will make such a significant contribution that it will help wildlife and all of mankind. Those issues need to be considered carefully, and the environmental points that both she and my hon. Friend the Member for Reading, West (Martin Salter) have made will form part of our consideration as we advance the feasibility study.

Bill Wiggin (Leominster) (Con): A great deal of the damage to marine habitats is done by fishing. Some £97 million of European fisheries fund money was supposed to be used to promote more sustainable and environmentally friendly fishing gears and practices. Is it not the case that that money is not available because the Government failed to agree with the devolved Administrations and failed to consult on and submit our programme to the Commission by the deadline? Perhaps the Minister can tell us when we will get our money and whether the EU has confirmed that DEFRA will not be fined for a late submission of the operational programme?

Jonathan Shaw: The hon. Gentleman will know that I was in Brussels till half-past 10 on Monday negotiating the changes to the European fisheries fund. New regulations will impact on all member states and will provide more flexibility within the fund. Obviously, we must look at the detail of those and discuss that with the industry. His question about whether we will miss out is obviously outdated because of the changes that were agreed in the Commission earlier this week.

Regulation

6. **Mr. David Evennett** (Bexleyheath and Crayford) (Con): What estimate he has made of the number of regulations which his Department and its agencies enforce. [219292]

The Minister for the Environment (Mr. Phil Woolas) *rose—*

Hon. Members: Oh!

Mr. Woolas: Second fiddle!

On 28 April, DEFRA placed a report in the Library on its statutory instruments between January 2000 and December 2007. The report shows that DEFRA implemented 1,036 statutory instruments between those dates and revoked 840, dating back to 2000 and earlier.

Mr. Evennett: I am grateful for the Minister's response. However, with input costs rising and British businesses forced to compete on an uneven playing field with the rest of Europe, they can ill afford a regulatory burden that is increasing year on year. What is the cost to industry of those regulations, and will the Minister take steps further to reduce the bureaucracy and red tape that prohibits business from doing its job?

Mr. Woolas: I would challenge the premise of the hon. Gentleman's question. In fact, the direction of travel is downwards. The plan that DEFRA started to implement in 2007 will reduce the administrative burden by just under a third by 2010, so we are moving in the right direction.

Kerry McCarthy (Bristol, East) (Lab): I know that at least one of the ministerial team is aware of the case in my constituency of the greengrocer who was prohibited from selling kiwi fruit because they were 4 g too light. What plans are being made to review the EU grading laws and does he believe that, in an era of rising food prices and shortages, such decisions are best left to the consumer, instead of being the subject of regulation?

Mr. Woolas: I have been informed about this particular case. My hon. Friend will accept that it is important that we have rules for quality produce, as that is what the buyers want and what the consumers want, as is supported across the House. The vast majority of traders play by the rules and do not want to be undermined by those who do not. However, we are of course aware of the case that my hon. Friend raises.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): What effort is the Department making to reduce the burden of regulation, especially from the European Union, when it comes to the problem that hill farmers will face if electronic tagging of sheep is introduced? What effort is the Minister making to reduce that burden on farmers?

Mr. Woolas: In relation to the DEFRA delivery agencies, which act as regulatory bodies to protect the environment and the consumer, we have a simplification plan, which is working. We are reducing regulation, but our goal is quality regulation, including for the hill farmers whom the hon. Gentleman mentions.

Mr. James Paice (South-East Cambridgeshire) (Con): It seems to me that the Minister does not really know what he is talking about when he mentions reducing the burden of regulation. That is because his Department is perpetrating a complete con trick on the industry and the public, because it measures the burden of regulation only by what it calls "administrative burdens". Why does he not allow for the full cost to industry of all these burdens? For example, DEFRA says that the admin cost of the catchment sensitive farming regulation is £391,000 a year; it is actually £210 million a year. DEFRA says that the cost of the nitrates directive is £1.5 million a year, but the true cost, including all the investment that industry has to make, is £250 million a year. Despite all the Government's warm words about farming, the Department is stifling farmers' ability to compete.

Mr. Woolas: The hon. Gentleman is ungenerous in his remarks and his analysis. He refers to the costs of regulation but ignores the benefits. One person's regulation is another's protection—a point that is often missed. Many of the regulations to which he refers are supported by the industries because they help to ensure that the cowboys and bad guys do not get an unfair advantage. He has made an accusation about costs, but he has completely ignored the costs to the taxpayer of non-regulation of environmental protection. For example, what would he say to the water industry, which spends £288 million a year treating nitrates from run-off? I suppose that he would not include that as a cost.

Bovine TB

7. **Mr. James Gray** (North Wiltshire) (Con): What the cost was of compensation for cattle which tested positive for bovine tuberculosis in each of the last five years. [219293]

The Secretary of State for Environment, Food and Rural Affairs (Hilary Benn): In England, the following amounts were paid in compensation for cattle slaughtered under bovine tuberculosis controls in each of the last five calendar years: £26 million in 2003; £25 million in 2004; £27 million in 2005; £16 million in 2006, and £15 million in 2007.

Mr. Gray: The Secretary of State's rapid production of the figures will not disguise the fact that, over the past 10 years, some 200,000 cattle—most of them perfectly healthy—have been slaughtered. Their carcases have been burned, needlessly, at a cost some £600 million to the public purse so far. This year, 40,000 cattle have been killed, at a vast cost, and the predictions are that £300 million a year will be spent on TB across England by 2012. Does he accept that that is appalling wasteful for the public purse, and that it is a tragedy that those animals are being slaughtered needlessly? Does he also accept that farmers in hot-spot areas such as North Wiltshire are distraught at his announcement this week that he will ignore the recommendation from the Environment, Food and Rural Affairs Committee that some culling of badgers in some areas may have some effect on restraining this appalling disease?

Hilary Benn: I would say to the hon. Gentleman and his constituents that bovine TB is an appalling disease that has a terrible impact. I have ignored nothing, however: I have looked at the science and, in the end, I have to make a judgment. I have reached my decision about what will be effective in dealing with the problem. As I explained to the House in my oral statement last week, the science and the practicality tell me—and the House—that badger culling will not contribute. That was the view of Professor Bourne, so we have to use the means currently at our disposal. That is why I want to sit down with the industry to discuss what further steps we should take, and it is also why we are significantly increasing the investment in vaccines.

Water Prices

8. **Linda Gilroy** (Plymouth, Sutton) (Lab/Co-op): What recent discussions he has had with Ofwat on the periodic review of water price limits 2009. [219294]

The Minister for the Environment (Mr. Phil Woolas): My right hon. Friend the Secretary of State met representatives of Ofwat on 3 June. DEFRA is in regular contact with Ofwat on a range of issues, including the 2009 periodic review of water price limits.

Linda Gilroy: I thank my hon. Friend for that response. When will the metering and charging review be set up, and when will it report? Will he reassure the House that it will report in good time for Ofwat to take its findings into consideration, and for all of us to have access to them?

Mr. Woolas: I am grateful to my hon. Friend for her input to this policy area on behalf of her constituents facing high water and sewage charges. We are determined to ensure fairness. The review will be launched imminently and it will dovetail into the Ofwat PRO9 process—that is, the price review process for 2009. That will ensure that we can make better progress towards water efficiency measures and, through an examination of tariffs, a fairer system for her constituents.

Pitt Report

9. **Tim Loughton** (East Worthing and Shoreham) (Con): When he will allocate funding to implement the recommendations of the final Pitt report. [219295]

The Secretary of State for Environment, Food and Rural Affairs (Hilary Benn): A total of £34.5 million has been provisionally set aside to deal with the recommendations in Sir Michael Pitt's report. I will fully consider the recommendations before making a final allocation and response with a costed action plan this autumn.

Tim Loughton: As Sir Michael makes no fewer than 92 recommendations, is the Secretary of State satisfied that the money that he has set aside will be sufficient to implement them? Many hinge on better joint working between the various agencies, and a good job of work remains to be done in that regard. What assurances can he give the House about Sir Michael Pitt's ongoing reporting to Parliament about the progress of the implementation of his practical recommendations—or will we just have to wait for the recriminations after the next deluge hits us?

Hilary Benn: The hon. Gentleman's last comment is a bit unfair. I will continue to report to the House about the progress being made in implementing the recommendations. As I told the House when I made my statement, Sir Michael will have a continuing role. Only last week, indeed, in the light of his report and together with him, I met the heads of all the agencies and bodies involved to see what further progress has been made, and what more we need to do together. From memory, Sir Michael has said that about 80 per cent. of his recommendations call for a different way of doing things, and do not require additional expenditure. I shall weigh all that up when, as I promised, I report back to the House with the plan in the autumn.

Mr. Michael Jack (Fylde) (Con): In Sir Michael's report he lays emphasis on the importance of improving the resilience of utilities' facilities where there are cases of severe flooding. What reassurance, pursuant to the last answer given by the Minister of State, can the Secretary of State give me that the cost of utilities improving the resilience of their facilities in view of flooding will not be passed on to consumers, but will come from the balance sheets of the companies?

Hilary Benn: As the right hon. Gentleman will know, ultimately that is a matter for the regulator, but I am able to report to the House that National Grid has purchased 1.2 km of relocatable defences like the ones that were used to protect Walham during the flooding last year; CE Electric has purchased seven temporary defence kits; and EDF Energy has also purchased a number. The National Grid and Central Networks have put defences around Walham and Castlemead substations following the floods last year. That demonstrates to the House how, now that all of us have had a wake-up call, the utility companies are responding.

Mr. Brian Jenkins (Tamworth) (Lab): My right hon. Friend will realise that one of the missing parts of the jigsaw is the Humber, the Trent and the Tame river basin flood strategy, which we shall probably have in two years' time. Until that part is in place, does he believe that local authorities and other interested parties can take the best possible future measures?

Hilary Benn: We have made it very clear in the decisions that we have taken that the Environment Agency will now have overall responsibility for dealing with flooding from whatever source, and that local authorities will lead on surface water flooding. That was what Sir Michael recommended, and we shall now put it in place, through a flood and water Bill. Clearly it takes time for some of those plans to come forward.

The other practical contribution that we are making, of course, is to provide more money for flood defence.

Miss Anne McIntosh (Vale of York) (Con): The Government are not displaying any sense of urgency whatever. They have failed to come forward with a detailed action plan, which is the least that the Secretary of State could do to satisfy the House, and to satisfy the victims of last summer's floods; already one year has passed since then. The Government are embarking on a consultation on the restructuring of internal drainage boards. They probably have more engineers; we know from the Select Committee report that there is a shortage. What are the implications for ongoing maintenance of this restructuring? Will there be even fewer engineers at the end of the restructuring?

Hilary Benn: First, I do not accept what the hon. Lady says about how we have responded to what happened last year. Indeed, she does not have to take my word for it; she just has to look at what Sir Michael said in his interim report about the urgent recommendations, and what he said in his final report about the progress that has been made. Secondly, we are carrying out the consultation to ensure that the contribution of internal drainage boards can be as effective as possible, and clearly we have no intention of doing something that will make it more difficult for them to do their job effectively; on the contrary.

Climate Change

12. **Rob Marris** (Wolverhampton, South-West) (Lab): What steps his Department is taking to encourage best practice in adaptation to climate change in the countryside. [219298]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Joan Ruddock): We have a cross-government programme on adaptation, and a framework for adaptation is established through the Climate Change Bill. DEFRA is working with regional rural affairs forums, Farming Futures and the rural climate change forum to help raise awareness and encourage best practice.

Rob Marris: I am delighted that at last we have a cross-government framework on adaptation. What funding did DEFRA include in its budgets for research into, and knowledge transfer regarding, climate change adaptation in rural communities, including for productive agriculture?

Joan Ruddock: I thank my hon. Friend. This is a very important issue, and next week I intend to launch the adapting to climate change website, which will show what is happening across the whole of Government. This is not just a DEFRA issue; it is across the whole of Government, and an accompanying document will be published. But I can tell him that £5 million per year has been given to a research programme on agriculture and climate change, which includes research on the impacts of climate change on agriculture and how the sector can adapt. We are also working with the rural climate change forum, as I said. We have provided £250,000 up to March 2009 to Farming Futures, which aims to provide for farmers practical advice on adaptation. There is not time to go into what we are doing on biodiversity, but enabling biodiversity to adapt to climate change is also very significant, and money is being spent.

Packaging

13. **Mr. Eric Illsley** (Barnsley, Central) (Lab): What progress has been made in increasing producer responsibility for packaging, as referred to in his Department's framework for pro-environmental behaviours. [219299]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Joan Ruddock): Earlier this year, I raised the packaging recovery targets for 2008, 2009 and 2010, which came into force on 14 March. The targets for 2008 have been set to ensure that the UK meets the current EU targets. Targets post-2008 are designed to ensure continued compliance with the EU and to reflect ambitions outlined in the Government's waste strategy.

Mr. Illsley: The document referred to in my question—the Department's framework for pro-environmental behaviours—makes only one reference to packaging. It is one line on page 49, which says the Government will seek to

> "increase producer responsibility for packaging,"

despite the fact that only 3 per cent. of all the material that goes to landfill is packaging and, as my hon. Friend has pointed out, recovery targets have been increased. The difficulty for the industry is that it now cannot recycle much of the material collected, because it is of such poor quality. Will she take that on board and, with her colleagues in the Department for Communities and Local Government, try to improve the possibility of recycling better materials?

Joan Ruddock: I pay tribute to my hon. Friend for his work on packaging, which is very important. The reason why we must pay a lot of attention to packaging is that in many cases it is avoidable. The public believe that it is avoidable, and they want something done about it. So we will not resile from that. We recently produced information through WRAP—the Waste and Resources Action Programme—which is the Government-funded organisation that deals with waste, that shows us that in the current market, kerbside sorting is more effective for local authorities than single co-mingling, and that costs are similar if two streams are co-mingled but paper is kept separate. So local authorities can benefit from kerbside separation. Kerbside sort achieves the higher-quality recyclates that my hon. Friend wants to see produced. So we are providing a great deal of assistance to local authorities and giving them advice. Contrary to the popular belief that co-mingling is the easiest thing for consumers, we have found that the size of bins matters in determining how much consumers recycle. We will not hesitate to try to get better recycling quality and levels from our local authorities, because that is what our citizens want.

Topical Questions

T1. [219312] **Alun Michael** (Cardiff, South and Penarth) (Lab/Co-op): If he will make a statement on his departmental responsibilities.

The Secretary of State for Environment, Food and Rural Affairs (Hilary Benn): DEFRA's responsibility is to enable us all to live within our environmental means. I wish to inform the House that we are today publishing a discussion paper entitled, "Ensuring the UK's Food Security in a Changing World". The UK currently has a secure food supply, but with recent sharp increases in food and fuel prices, a growing world population and climate change, it is sensible that we think about the impact of those changes on food supply in the years ahead. I look forward to receiving views on the paper.

Alun Michael: I congratulate my right hon. Friend on taking a decision about badger culling, based on the science and the evidence. Given that we have a long and porous border between Wales and England, does he agree that any widespread culling of badgers in Wales would be bad for farmers in Wales and could be bad for farmers in England?

Hilary Benn: Those decisions in Wales are, of course, devolved matters, and we will keep in close contact with the Welsh Assembly Government as they take forward their proposals. I reached the view that badger culling could not make a contribution to the control of disease, in line with the advice given to me by the independent scientific group, for the reasons that I have set out very clearly to the House.

T2. [219313] **Mr. Alistair Carmichael** (Orkney and Shetland) (LD): The Fisheries Minister will be aware that earlier this week Commissioner Borg recognised the acute difficulties faced by the industry, and made available some €2 billion for a compensation fund. In light of that, will the Minister reopen dialogue with the industry in this country to see what use can be made of the money provided by Mr. Borg? Of course, if we do not take it up, it will be taken up by fishing industries in other countries in the EU.

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Jonathan Shaw): I am grateful to the hon. Gentleman for raising the issue. He is right to draw to the House's attention the fact that the Fisheries Council met on 15 July, when we discussed bringing in new flexibilities and new regulations for the European fisheries fund. The flexibilities will allow for some decommissioning, not just of whole fleets but, as we discussed with the Commissioner, of fleet segments, either geographically or by sector. We will look closely at, and talk to the industry about, the changes that are being made, so that we can implement them to best effect. As I have said in previous debates, both to him and to the industry, I do not subscribe to subsidies for red diesel. I know that prices have gone up greatly, but for the fishing industry, no duty is applied. If I applied the full de minimis provisions, it would provide the UK fleet with one month's relief at last year's prices, and I do not think that that is a good approach, even in the short term.

T7. [219319] **Mr. Graham Allen** (Nottingham, North) (Lab): In the several months since I last raised the issue with the departmental team, what progress has been made on bringing forward incentives to introduce biodegradable chewing gum? Chewing gum blights our townscapes and spoils our children's outings. Members on both sides of the House have been raising the issue for several months now. Will the Minister tell us when he will be able to introduce a measure to improve the incentives? *[Interruption.]* He may think that it is funny—or rather there may be colleagues in the House who think it is funny, but I assure him, and them, that it is not funny for people whose families are affected, or whose town is blighted by chewing gum.

Jonathan Shaw: My hon. Friend is absolutely right. In the city that he represents, Nottingham, the council reckons that it spends more than £12,000 on clearing up the flipping stuff. I know that he, as the chair of One Nottingham, his local area agreement, would rather use that money for things of far more advantage—

Bill Wiggin (Leominster) (Con): Sticky stuff!

Jonathan Shaw: The hon. Gentleman makes jokey remarks about the subject, but chewing gum costs councils a lot of money, and it is antisocial. We can say to people, "Put it in the bin." We have a campaign that supports local councils in encouraging people to put their chewing gum in the bin. Where councils have taken up that campaign, they have seen a reduction in the problem. On manufacturing—

Mr. Speaker: Order. I must stop the Minister there. We are up against the clock.

Mr. Peter Ainsworth (East Surrey) (Con): Let us return to food. Was it prudent of the Prime Minister to take time out to lecture us all about the amount of food that we throw away when it turns out that 15 Government Departments do not even know how much of the food that they buy with our taxpayers' money they throw away every year? Is that not just another case of "Do as we say, not as we do"?

Hilary Benn: No, it is not. May I say that it is very nice to see the hon. Gentleman back at the Dispatch Box? I have missed him of late. We published information on the amount of perfectly usable food that gets thrown away. The information had been collected as a result of research that was undertaken; that is common sense. I think that a lot of people will be surprised, as I was, to learn of the amount of food that was being thrown away; the information makes us more aware. If we can save money and not contribute to climate change—the methane that flows from that food goes into landfill—it is very sensible to do so.

Mr. Ainsworth: Changing the subject, I am sure that the whole House will agree that it was a great day for wildlife conservation when, in 1989, the international community banned the trade in ivory. I am sure that most of us would also agree that it was a regrettable day when, in 1997, Robert Mugabe led a successful challenge to that ban. Are the Government proud that on Tuesday, acting on behalf of the EU, an official from the Department for Environment, Food and Rural Affairs voted to allow China to import ivory? Surely the best way to deal with the continuing illegal trade in ivory is to choke off demand, not stoke it in that way.

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Joan Ruddock): The hon. Gentleman knows, because I have written to him at length, that the decision was taken on behalf of the EU. Ministers were involved in that decision, which was not taken by an official. The decision was originally taken in principle by the international community in 2002 to allow a number of African states that had legal stockpiles of ivory to undertake a one-off sale. The conditions on the buyers in those sales were laid down by an international body that protects wildlife. Japan met the conditions, and China applied to meet the conditions. After a year of inquiry, China was found to meet the criteria, which are about safeguarding the import of legal stocks, ensuring that stocks are only moved around legally and making sure that illegal ivory is not laundered. After the last one-off sale, which went to Japan, may I tell the hon. Gentleman—

Mr. Speaker: Order. I must tell the Minister that her reply has taken more than a minute, and that I must consider Back Benchers.

T8. [219320] **Mrs. Linda Riordan** (Halifax) (Lab/Co-op): Is the Minister aware of the recent report on reward-only waste incentive schemes in the US? Are there any plans to introduce such incentives in this country?

Joan Ruddock: Local authorities can already introduce reward-only schemes. We have piloted such schemes in this country, which qualify for the incentive pilots that will be on offer next year. I understand that the Opposition are promoting such schemes, but the problem is that the shadow Secretary of State for Communities and Local Government, the hon. Member for Brentwood and Ongar (Mr. Pickles), has instructed Tory councils not to co-operate with the Government. Furthermore, the US schemes depend on chips in bins, which the hon. Gentleman has described as "an invasion of privacy". The Conservative party is in a pickle over its waste strategy.

T3. [219314] **Martin Horwood** (Cheltenham) (LD): DEFRA's new company reporting rules for carbon may be based on grid average electricity, even if companies have renewable energy onsite, which might undermine the green energy market and lead companies to declare imaginary carbon that they have not really emitted. Will the Secretary of State agree to meet industry representatives and hon. Members from both sides of the House in an attempt to resolve that obvious anomaly?

The Minister for the Environment (Mr. Phil Woolas): The answer is yes. I am more than happy to do that, and the hon. Gentleman has raised an important point.

Hugh Bayley (City of York) (Lab): I welcome the Government's decision to publish proposals on tackling food security. Many of our constituents, especially those on low incomes, face real problems with rising food prices. What contribution does the Secretary of State believe that British farmers can make to increasing our food security and reducing prices in the shops?

Hilary Benn: The most important contribution is to do what they are doing already, which is to produce food that people want to buy. If we are to deal with global price increases, we need a lot more agricultural production around the world, including in Africa. If Africa cannot increase production to feed a growing population, it will add to pressure on prices for the available stocks of food, which will affect UK consumers in the end. More production in the world is the single most important thing.

Steve Webb (Northavon) (LD): The Department knows that bluetongue strand 1 is spreading rapidly from south to north Spain, and is moving in our direction. I understand that the vaccines that we have in the UK are for a different strand of bluetongue. Will the Secretary of State tell us how useful those vaccines will be against that strand? If they are not effective, what is his strategy?

Hilary Benn: Like hon. Members, I am aware of the new strain that is coming up through Europe. It is a different type, and our vaccine deals with the bluetongue strain that we currently face; the vaccination is rolling out extremely successfully. We are carefully examining the implications of the change in the strain, when the strain might come to the UK, and what we need to do to respond. Vaccination has been shown to work, and I hope that it will deal with the new strain, if it comes. I shall be happy to respond further to the hon. Gentleman.

T4. [219316] **Mr. Michael Jack** (Fylde) (Con): Because of the discovery of bovine TB in calves exported to the Netherlands, all cattle exports to the European Union are now at risk. What steps will the Secretary of State take to address this problem, specifically to try to find a way of testing that works with calves?

Hilary Benn: The right hon. Gentleman raises an extremely important point. We are urgently investigating the circumstances surrounding this case. We have been in contact with the Dutch authorities and with the Commission, and I will report further to the House.

T5. [219317] **Mr. Philip Hollobone** (Kettering) (Con): On 24 June, a rabbit with cryptosporidiosis hopped into the water treatment works at Pitsford, in my constituency, and contaminated the water supply for 250,000 people. Is the Secretary of State as impressed as I am by the response of Anglian Water, the local media and others, which could not have been any better?

Hilary Benn: I am grateful to the hon. Gentleman for asking that question. I am indeed impressed by how this has been dealt with. I also pay tribute to local Members of Parliament for the role that he and others have played. Giving good information and timely advice, and keeping people in touch with what is happening and when it is safe to start drinking the water again, is exactly how such incidents should be dealt with. I applaud all those involved for the efforts that they have made.

T9. [219321] **Andrew George** (St. Ives) (LD): Further to the questions asked by the right hon. Member for Fylde (Mr. Jack) and the hon. Member for North Wiltshire (Mr. Gray), has the Secretary of State considered whether instead of looking at the need to bear down on bovine TB as a nationwide problem, it might be better to form partnerships in the hot-spot areas between scientists, environmentalists and farmers, who know more about the problems within the locality, in order to find local solutions?

Hilary Benn: That is a very helpful suggestion. As I have said to the House, I want to establish a TB partnership group precisely so that all the means at our disposal that are effective—that is the heart of the debate—can be used. I am waiting for the industry to come and participate in the mechanism that I have proposed so that we can bring together all those who have an interest in this disease and all the effective means of dealing with it, and get on with it.

Business of the House

11.31 am

Mrs. Theresa May (Maidenhead) (Con): May I ask the Leader of the House to give us the forthcoming business?

The Leader of the House of Commons (Ms Harriet Harman): The business for next week will be as follows:

Monday 21 July—Topical debate on the Bercow review of services for children and young people (0-19) with speech, language and communication needs followed by consideration of Lords Amendments to the Housing and Regeneration Bill.

Tuesday 22 July—Motion on the summer recess Adjournment followed by consideration of Lords Amendments to the Crossrail Bill. Colleagues will wish to be reminded that the House will meet at 11.30 am on this day. The House will not adjourn until the Speaker has signified Royal Assent.

The business for the week commencing 6 October will include:

Monday 6 October—Second Reading of the Dormant Bank and Building Society Accounts Bill [Lords].

Tuesday 7 October—Opposition day (19th allotted day). There will be a debate on an Opposition motion. Subject to be announced.

Wednesday 8 October—Remaining stages of the Children and Young Persons Bill [Lords].

Thursday 9 October—Topical debate: subject to be announced followed by a general debate on defence in the UK.

I should like to wish all hon. Members and all staff of the House—the whole team of staff, from my excellent private office to the dedicated House of Commons cleaners—a good recess.

Mrs. May *rose—*

Ms Harman: I am sorry—I did not turn the page over. It is that hard being Leader of the House!

I should also like to inform the House that the business in Westminster Hall for October will be:

Thursday 9 October—A debate on the report from the Children, Schools and Families Committee on testing and assessment.

Thursday 16 October—A debate on the report from the Business and Enterprise Committee entitled "Jobs for the Girls: Two years on".

Thursday 23 October—A debate on the 30th annual House of Commons Commission report.

Thursday 30 October—A debate on the report from the Public Administration Committee entitled "Politics and Administration: Ministers and civil servants".

Mr. Speaker: Is the Leader of the House sure that she is finished?

Mrs. May: I think that the Leader of the House has lost the plot as well as the page. I echo the comments that she made, however, and as this is the last business questions before the recess, Mr. Speaker, I wish you, all right hon. and hon. Members, all staff of this House and Members' staff a happy summer recess.

The Prime Minister is expected to make an oral statement to this House on Tuesday on Iraq or other matters relating to the middle east. Will the right hon. and learned Lady confirm today that the Prime Minister will be making such an oral statement on Tuesday?

Last week, I asked the Leader of the House whether the Chancellor would make a statement to the House when the report on Equitable Life was published. Her response was:

> "Let us see what it says and then we can consider how to deal with it."—[*Official Report*, 10 July 2008; Vol. 478, c. 1567.]

That report is published today. It reveals serious regulatory failure and calls for compensation for policyholders. The Chancellor has made a written statement today, but given that Members of all parties have constituents affected by this failure, and will want to question him on it, will the Leader of the House guarantee that the Chancellor will make a oral statement to the House on the Government's response to the ombudsman's report on Equitable Life when the House returns?

Last week, my right hon. Friend the Member for North-West Hampshire (Sir George Young) raised the issue of the Modernisation Committee's report on regional accountability. The report was passed on the casting vote of the Chairman, the right hon. and learned Lady, who is a member of the Government. The report endorses her Government's proposals, as set out in the Green Paper, "The Governance of Britain". The Committee's recent report on debating departmental objectives also arose from the Government's Green Paper, as did the Committee's current inquiry on the recall and dissolution of Parliament. Select Committees of this House do not exist to execute Government policy, so may we have a debate on the future role of the Modernisation Committee?

Talking of that Committee, the Leader of the House today issued an illuminating single-paragraph written statement, saying that she will publish the Government's response to the Committee's report on regional accountability on Monday. As this is the last business questions before the recess, and the last real opportunity for the Leader of the House to take questions on future business, will she tell us when she intends to table the Standing Orders on regional Select Committees?

When the right hon. and learned Lady announced her proposals on the Equality Bill on 26 June, she said:

> "Next month I will publish a further paper setting out our proposals in greater detail".—[*Official Report*, 26 June 2008; Vol. 478, c. 501.]

As the House rises on Tuesday, will she guarantee today that that paper will be published before the recess?

On a similar theme, on 12 June, when asked about the procedure for choosing topical debates, the Leader of the House said:

> "we are reviewing the operation of topical debates…I shall report to the House before the summer recess."—[*Official Report*, 12 June 2008; Vol. 477, c. 462.]

Again, as the House rises on Tuesday, will she guarantee today that that report will be published before the recess?

In her written statement yesterday on Members' allowances, the Leader of the House said that she had had

> "a number of positive discussions…with many hon. Members."—[*Official Report*, 16 July 2008; Vol. 479, c. 31WS.]

Will she now list those Members, and, as the House rises on Tuesday, will she guarantee that her consultation document on Members' allowances will be circulated to Members before the recess?

[Mrs. May]

Those questions can all be answered by the right hon. and learned Lady today. They are not matters on which she can pass the buck to other members of the Cabinet. They are important matters for this House and our constituents. Perhaps she should stop dreaming about becoming leader of the country, and start acting as the leader of this House.

Ms Harman: In respect of the consultation document on allowances, which I announced by way of a written ministerial statement yesterday morning—we had an opportunity to discuss these issues during an Opposition day debate yesterday—it would be preferable for us to produce the consultation document before the House rises, but I cannot guarantee that. We had an opportunity in the ministerial statement to map out the issues that will be addressed in the consultation document, and they were the subject of the debate yesterday.

The right hon. Lady mentioned that I said that I had had discussions with several hon. Members after the debate on 3 July. I would never think it right to list hon. Members to whom I spoke as Leader of the House. I discuss many issues with many hon. Members and they do not expect their names to be published for having discussions with me. Hon. Members know that I welcome discussion with anybody who wants talk to me about such issues. The discussions have been positive, which is probably more than can be said about those that the right hon. Lady held with many Conservative Members.

I intend to issue the results of our review on topical debates before the House rises for the summer recess. I will also publish the detailed paper on the Equality Bill in response to the discrimination law review before the House rises. Standing Orders for regional Committees will be placed before the House in the autumn.

The right hon. Lady made several points about the "Governance of Britain" proposals for the House, which the Modernisation Committee considered. We could deal with the matter in several ways: the Lord Chancellor and Secretary of State for Justice could make proposals and we could simply lay them before the House for debate and agreement, or the issue could be given to the Select Committee that is responsible for considering changes in the House—the Modernisation Committee. We think that the latter is preferable. If the right hon. Lady objects to the matter being discussed in the Modernisation Committee—

Mrs. May: Or the Procedure Committee.

Ms Harman: Indeed. We are not ideological about the matter. If something is more appropriate for the Procedure Committee to discuss, we are happy for it to go to that Committee. As a member of the Modernisation Committee, if the right hon. Lady believes that it is more appropriate to discuss some aspect of the "Governance of Britain" proposals in the Procedure Committee rather than the Modernisation Committee, she has only to say so and I am sure that we would be prepared to take up her suggestion.

The right hon. Lady asked about the Equitable Life report, which has been published, and I thank the ombudsman for her work on that. The report is detailed and comprehensive, and considers matters that range back over the past 20 years. It has some 2,000 pages, which the Government will consider. I note the right hon. Lady's request that, when the Chancellor gives his response to that important report, not only about the past but for the future, he come to the House to make an oral statement.

The right hon. Lady asked whether the Prime Minister will make an oral statement on Iraq before the House rises. If there is to be an oral statement on Monday or Tuesday next week, it will be announced in the usual way.

Jim Sheridan (Paisley and Renfrewshire, North) (Lab): May we have a debate on inaccurate reporting by the British press? The Leader of the House may know that I had a ten-minute Bill on Tuesday on the inadequate powers of the Press Complaints Commission. During my contribution, I highlighted the case of Robert Murat, who was found guilty and convicted by the British press in the disappearance of Madeleine McCann. How many more Robert Murats will it take before action is taken to impress on the press its responsibility to society to report what is going on accurately?

Ms Harman: I commend my hon. Friend for the points that he raised in his ten-minute Bill. We all believe that the press should report accurately and that, if they make a mistake, they should retract and apologise promptly. The Press Complaints Commission should act vigorously, and the Government will keep those issues under review.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD) *rose—*

Hon. Members: Hear, hear.

Sir Robert Smith: I join the rest of the House in conveying best wishes to everyone for the summer recess. Although Members of Parliament may not be here, many staff will be working extra hard to ensure that the House remains in good order for when we return in October. I wish all the staff the best in their endeavours.

On Equitable Life, does the Leader of the House think that it would have been more appropriate for the Chancellor to make an oral statement today? The Government had the draft report for 17 months and every hon. Member will have constituents who have been affected. Should not the Chancellor have come here today to give at least an initial apology, even if he has to take time to consider exactly how he will respond to the need for compensation? I agree that there should definitely be an oral statement in October, when hon. Members can question the Chancellor about his reaction to the ombudsman.

On coastguard pay, which my hon. Friend the Member for Orkney and Shetland (Mr. Carmichael) raised with the Prime Minister yesterday, will the Leader of the House make sure that the Prime Minister comes to the House to clarify that the coastguard pay dispute is not part of the recent public sector pay round, but a long, ongoing dispute, which has been so badly handled that coastguards are having to have compulsory pay rises to make sure that they do not fall foul of minimum wage provisions? It is a totally different issue from the ongoing public sector pay dispute.

On Members' pay, my hon. Friend the Member for Sutton and Cheam (Mr. Burstow), in question reference number 217714, asked the Leader of the House how the calculation for Members' pay would work and whether she could give him examples of the results that the formula would have produced over the past 10 years. Her deputy replied:

> "The information requested is not easily obtainable within the normal time scale for answering written parliamentary questions. I will write to the hon. Member shortly"—[*Official Report*, 15 July 2008; Vol. 479, c. 229W.]

Surely, the fact that the House has a pay system that is so complicated that even the right hon. and learned Lady's own Department cannot answer questions on it within the time scale available suggests that we have come up with a rather inappropriate system, and the House will have to revisit that.

The House will rise until October. Come October, it will be almost too late for the Government to come up with a serious strategy for tackling the rising cost of fuel as it affects our constituents going into the winter—particularly those who are not on the gas main, because the price of oil has gone through the roof. We need concrete proposals from the Government now, because the time taken to implement them will be an important factor. Will the Leader of the House make sure before the House rises that the Department for Business, Enterprise and Regulatory Reform makes proposals to tackle fuel poverty among those who are not on the gas main?

Finally, will the Leader of the House ensure before the House rises that the Department for Work and Pensions makes a statement saying what is happening to the card account and the payment of pensions and benefits. The Post Office is a unique institution—it is the only one with outlets throughout the rural areas of this country—but the Government have imposed access criteria on it. If the Department for Work and Pensions, for administrative convenience, awards the card account contract to anyone but the Post Office, people throughout rural Britain will find it difficult to collect their pensions in the way that the Government have promised they will be able to. Will the Leader of the House therefore ensure that a statement is made on the issue before the House rises so that Members can question and respond to it? Will she ensure that the statement is not left until the recess? If the Government do wait until the recess, will that not send a warning to our many constituents that the Government are planning yet again to ditch the Post Office and take more business away from it.

Ms Harman: I thank the hon. Gentleman for his appearance on the Front Bench at business questions, which is clearly very popular. He raised the issue of pay in the Maritime and Coastguard Agency, which has been raised on many occasions in the House. Great value is placed on the work of those in the agency, and there is concern that there should be a settlement that is acceptable to all as soon as possible.

On Equitable Life, we have all been concerned about the many individuals who have been affected one way or another by the problems there. That has had a very big impact. We are obviously pleased that the report has been completed, but the time for the Chancellor of the Exchequer to make a statement about which of the proposals arising from the review he will take forward is when the report has been published and everybody has had the opportunity to reflect on it.

The hon. Gentleman mentioned the question raised by the hon. Member for Sutton and Cheam, who wrote to ask what Members' pay increases would have been in the past if the formula had been the same as the one that we have agreed for the future. There is no complexity about the formula, which takes the median increase for a basket of 15 different occupations; it is about tracking back to see what the pay increases for those different occupations have been over previous years so that we can do what is in fact a very simple calculation. However, I will deal with that as soon as possible.

On fuel poverty, the fact that the House is rising does not mean that the Government will not remain completely focused on and concerned about how we can do more to ensure that people have their homes insulated and that businesses are energy efficient, how we can increase the supply of energy through renewables and how we can deal with all the problems relating to energy. The fact that the House is rising will not mean that the issue will not be a major Government concern.

The hon. Gentleman raised another issue that is a concern in the House and more widely—the Post Office card account. Hon. Members will know that it is subject to public procurement rules, but the Post Office has put in a bid. However, no hon. Members will be in any doubt about how important the issue is to the post office network.

Tony Lloyd (Manchester, Central) (Lab): Will my right hon. and learned Friend consider having a debate on sentencing policy for those found guilty of human trafficking and modern forms of slavery? I ask that not in the light of highly paid footballers, but because of a recent case where an accountant trafficked a 14-year-old Ghanaian girl into the UK and kept her as an unpaid servant—or possibly slave—for a number of years, but was sentenced to only 18 months in prison. Should the courts not be giving exemplary sentences, to ensure that we send out the signal that those who traffic human beings will face the wrath of the courts and the retribution of the British legal system?

Ms Harman: My hon. Friend raises an important issue. It is important that those who have committed human trafficking offences are brought to justice, not only for the sake of their victims, but as a deterrent to others. It is important, too, that the courts pass sentences that make it clear to people all around the world that this country will not be a safe haven for human traffickers. My hon. Friend made a point about sentencing. I understand that the Sentencing Advisory Panel considered the issue of human trafficking a couple of years ago, along with sexual offences more broadly. However, if I am not right on that, I will ask the Home Secretary whether it would be appropriate to refer the issue to the Sentencing Advisory Panel, bearing in mind the fact that she is looking into the question of human trafficking.

Mr. William Cash (Stone) (Con): The Leader of the House will know that the instrument of ratification for the Lisbon treaty was deposited by written statement only about an hour ago. Does she accept that that is, effectively, bullying the Irish, who voted no unequivocally, that it is unprecedented, in the sense that when the French and the Dutch voted no, the Government did not proceed with ratification, and furthermore that

[Mr. William Cash]

there are a number of legal actions outstanding, including my own against the Foreign Secretary in the High Court, on the question of ratification. This is a gross impertinence and a disgraceful—

Mr. Speaker: Order. Questions are supposed to be about the business for the following week, but the hon. Gentleman has put his complaint on the record, so I will move on.

Mr. Kevan Jones (North Durham) (Lab): Will my right hon. and learned Friend consider having a debate on Northern Rock, particularly in the light of the revelation in the *Daily Mirror* this week that the current management are spending £130,000 pursuing the whistleblower who exposed the outrageous bonuses that the previous management were paying themselves? Is it right that what is now our money should be used in that way?

Ms Harman: I shall refer the matter that my hon. Friend raises to my right hon. Friend the Chancellor of the Exchequer. Everyone is agreed that those in the private sector should receive big rewards only where something has been successful—there should not be rewards for failure. People should bear in mind the law that the House passed setting out that remuneration must be decided while also reflecting on the average levels of remuneration in the company as a whole.

Mr. David Heath (Somerton and Frome) (LD): May we have a debate on the Government's pharmacy White Paper? There is an awful lot of good in the White Paper, which I would support, but there is also a proposal that would devastate rural GP practices that dispense, such as Langport in my constituency. If I had had any doubts about the value that local people put on that GP dispensary, they would have been corrected by the volume of letters that I have received. May we have a debate about the implications of the White Paper on rural GP dispensing? Is the proposal perhaps not another example of the Government simply not understanding the needs of rural areas?

Ms Harman: The hon. Gentleman will know that the issue is subject to consultation, which will precede the health Bill, which is in the Government's draft legislative programme. However, he makes an important point about how we ensure that we understand the implications of all Government policy and Bills for rural areas, as well as for urban areas. Therefore, I will raise the point that he makes not only with my right hon. Friend the Secretary of State for Health, but with my right hon. Friend the Secretary of State for Environment, Food and Rural Affairs, who has already answered questions in the House this morning.

Anne Moffat (East Lothian) (Lab): May we have a debate on delivering quality public services? I should like to congratulate Lothian Buses—the only publicly owned bus company in Scotland and the largest in the UK—on winning the prestigious best bus operator award 2008. Pilmar Smith, the chairman, who lives in north Berwick in my constituency, has played an exemplary role in support of the work force and in the company's success.

Ms Harman: I join my hon. Friend in congratulating Pilmar Smith and the work force of Lothian buses. I understand that this is not the first time that it has won that award, which is a demonstration of a public company delivering quality public services.

Sir Michael Spicer (West Worcestershire) (Con): What is the exact position after the vote on 3 July on the definition of main residence for tax purposes, and that for claiming parliamentary allowances?

Ms Harman: What is clear is that we need to have a congruence—that the main residence for tax purposes should be the same as the main residence for the purposes of claiming from the additional costs allowance. However, if hon. Members think that it would be helpful, I can, following the debate, write to them setting out the changes that have been agreed to main or second residences.

Andrew Mackinlay (Thurrock) (Lab): Will my right hon. and learned Friend have discussions during the recess through the usual channels about the arrangements for 11 November, which this year is a Tuesday? She will notice that this year is the 90th anniversary of the ending of world war one, with all the social, political, military and legal implications that go with that. Would this year not be a good occasion on which to reinstate the wreath-laying ceremony, which used to take place at our war memorial at St. Stephen's entrance, but which was lost when the security boxes were put there some decades ago? This year will be a great occasion for Parliament to commemorate and use our war memorial in a very decent way, so I hope that my right hon. and learned Friend will discuss this with you, Mr. Speaker, and others.

Ms Harman: My hon. Friend makes a very good suggestion. I will, as he proposes, discuss it with Mr. Speaker and I hope to make progress on it.

Sir Patrick Cormack (South Staffordshire) (Con): May I thank the Leader of the House for what she has just said? In view of the fact that there are many, in all parts of the House, who do not think that Front Benchers from any party should be on Select Committees, will she at least give us the assurance that when we debate the report on regional Committees, there will be a completely free vote, as there always should be on House of Commons matters?

Ms Harman: Ever since it was established, the Modernisation Committee has been different from other Select Committees, in that not only does its membership include a Minister, but it is chaired by the Leader of the House, who is the Leader of the House, a Minister and a member of the Cabinet. On regional Committees, it is always the case that matters relating to the formation of Committees are matters for the House.

Jon Trickett (Hemsworth) (Lab): May we have a debate on the minimum wage—one of the great historic achievements of the first phase of our Labour Government—so that we can celebrate the current upgrading that will affect 1 million people, 100,000 of them in Yorkshire and the Humber? Could we use such a debate to say that we are going to get very tough indeed on firms such as the one in my constituency that employs young women on a day-by-day basis and gives them £25 cash after nine hours of work, only to tell them that they are no longer needed? The women are expected to keep quiet and not blow the whistle. Is it not time that we got tough with rogue or cowboy employers of that kind?

Ms Harman: My hon. Friend is absolutely right. We need strict laws to protect vulnerable employees from exploitation and we also need to ensure that they are effectively enforced. I congratulate him on the work that he, along with other hon. Members, has done to make sure that that is what happens.

Mr. Nigel Dodds (Belfast, North) (DUP): I join others in thanking all the Officers and staff of the House for their hard work over this parliamentary Session and I wish them a restful recess.

Will the Government make it clear that over the summer recess period they will not join other European Governments and Heads of Government in the growing campaign led by President Sarkozy, who is due to visit the Irish Republic shortly, to bully and harass people who, on a free vote, made it clear that they reject the Lisbon treaty? Will the Government use the recess period finally to make up their minds to abandon a treaty that is, frankly, unwanted and undemocratic?

Ms Harman: The reason that this House and the other place passed the provisions on the Lisbon treaty is that we recognise that, if we want a strong economy, we have to work closely with the European Union. Similarly, if we want to tackle the menace of climate change and cross-border crime, we have to work strongly with our partners in the European Union. We think that it is in Britain's interest to be at the heart of Europe and that it is in Europe's interest that Britain should play a leading part in it. We also recognise that, with more member states of the EU, we need to change the rules so that it works as efficiently and effectively as possible. Having established our position and discussed it here and in the other place, there is no question of the Government bullying or harassing any other country.

Mr. Ian Cawsey (Brigg and Goole) (Lab): My right hon. and learned Friend will be aware of the concern of animal welfare groups, and particularly dog welfare groups, about the growth in the use of electric shock collars. What she may not be aware of is that both the Welsh Assembly and the Scottish Parliament are looking at ways of outlawing the use of those devices. Will she arrange for a statement to highlight how our Government will work with the devolved Administrations to ensure that there is a consistent approach, so that English dogs are not dogged by devolution?

Ms Harman: I congratulate my hon. Friend on all the work that he does on the full range of animal welfare issues. I will pass on the matter that he has raised to the relevant Ministers. If we need to make any further changes to promote animal welfare, we will.

In case I created any confusion in my earlier response, let me clarify that the creation of Committees is House business, which means that the creation of regional Committees is House business and it is not whipped. The membership of Committees is whipped, but Select Committees elect their own Chairs.

Sir George Young (North-West Hampshire) (Con): Reverting to a question that my right hon. Friend the Member for Maidenhead (Mrs. May) asked about Equitable Life, last week the Leader of the House invited us to wait and see what the ombudsman said. What the ombudsman has said is:

> "I recognise that my recommendations raise questions which are now properly ones for Parliament and Government together to consider."

Although I welcome what the right hon. and learned Lady said about the Chancellor making a statement, does she accept that that does not go far enough? What we need is a debate in Government time on a substantive motion on which the House can vote. Will she undertake to provide that?

Ms Harman: The right hon. Gentleman has made his position clear, as has the shadow Leader of the House. I think that we are all concerned about people who lost out as a result of what happened to Equitable Life and we are all concerned to understand where the responsibility lies and where regulation should have been improved—as it can and has been. There will be full consideration in government and we will see how we can ensure that this House has a proper chance to question, possibly debate—[HON. MEMBERS: "And vote"]—and even vote on the results.

Mr. Lindsay Hoyle (Chorley) (Lab): Will the Leader of the House consider giving time to debate the anti-family friendly policies introduced by Tesco? People can spend £50—say, on alcohol—and get a voucher for 5p off fuel, whereas if they spend £50 on infantile or baby food products, they do not qualify for a voucher. That seems absolutely absurd. It seems that "Every little helps"—except if you are a little one.

Hon. Members: Hear, hear.

Ms Harman: I congratulate my hon. Friend on raising that important point. Tesco will see that the matter has been raised on the Floor of the House and will note the response of hon. Members.

In respect of my previous answer to the right hon. Member for North-West Hampshire (Sir George Young), the banking reform Bill is in our draft legislative programme, so if hon. Members want to table amendments to deal with issues surrounding Equitable Life, they will have an opportunity to do so and then to debate and vote on them. That is not instead of, but in addition to what I said earlier.

Pete Wishart (Perth and North Perthshire) (SNP): Given that the Chancellor has been panicked into rewriting his Budget in the face of the sustained Scottish National party challenge in Glasgow, East, will he make a full statement to the House? If the fuel duty freeze proves to be too little, too late, will it be the job of the right hon. and learned Lady to go to Downing street next Friday morning and tell this useless Prime Minister to go?

Mr. Speaker: Order. We really must use more temperate language in the House. The hon. Gentleman's question was not about next week's business; it was more about a by-election in my native city, so we will leave it there.

Mr. Fraser Kemp (Houghton and Washington, East) (Lab): This week, the annual report of the chief medical officer was published. It dealt predominantly with tackling problems relating to young people's health. Will the Leader of the House consider making time available for a debate on that important issue, particularly to allow Members the opportunity to raise concerns about their constituents—for example, about the screening of young women for cervical cancer. It would be beneficial if we had an opportunity to talk about the health issues faced by young people.

Ms Harman: Perhaps we should consider that subject for a topical debate at some future time. I draw my hon. Friend's attention to the fact that there will be an opportunity to raise those important issues with Health Ministers at oral questions next Tuesday.

Mr. Stewart Jackson (Peterborough) (Con): The Leader of the House will be aware that earlier this week the Select Committee on Communities and Local Government published a report on community cohesion, which found that the Government's policy of uncontrolled immigration has caused sustained damage to community relations and community cohesion across the UK, including in my constituency. When may we have a debate on the linked issues of the population statistics of the Office for National Statistics, the audit of local authorities affected by large-scale immigration and the grant funding to authorities—including my own Peterborough city council—particularly affected by this issue?

Ms Harman: The question of immigration and its effect on different local authorities has been considered, as the hon. Gentleman said, by the Select Committee on Communities and Local Government. It has produced its report, but it certainly did not include the point that the Government had a policy of "uncontrolled immigration". The Government will reflect on the report and respond in due course.

Margaret Moran (Luton, South) (Lab): Is my right hon. and learned Friend aware that, in their wisdom, the football authorities have penalised Luton Town football club by deducting 30 points for misdemeanours perpetrated by previous owners? Will she allow an early debate on ensuring that the football authorities impose penalties on those who are truly responsible rather than on innocent fans, and will she ensure that the football authorities do not have a remit effectively to kill football clubs such as mine?

Ms Harman: My hon. Friend has raised on many occasions the question of Luton Town football club, which clearly plays an important role in the life of the city that she represents. I will draw her point to the attention of Ministers in the Department for Culture, Media and Sport.

Dr. Julian Lewis (New Forest, East) (Con): Next time the Leader of the House bumps into the Secretary of State for Defence—*[Interruption.]* I know that he is coming in a moment. Will she ask him for a statement on how much time he has been able to spend on the two medium-sized conflicts in which our armed forces are currently engaged, and how much time he has been having to spend, as Secretary of State for Scotland, on the battle for the by-election in Glasgow, East?

Mr. Speaker: Order. To be even-handed, I rule that as the by-election is next week we should worry about that when it comes.

Sir Peter Soulsby (Leicester, South) (Lab): I welcome the announcement by the Leader of the House that she intends to publish a Command Paper next Monday responding speedily to the Modernisation Committee's report on regional accountability. She will know that members of the Committee heard overwhelming evidence of the need for proper accountability for the £2.3 billion a year spent by regional development agencies, and a proper mechanism to hold regional Ministers to account. Will she be equally speedy in bringing forward to the House mechanisms to ensure that the proposals of the Modernisation Committee are put into effect?

Ms Harman: My hon. Friend makes the case extremely well, and I will do exactly that.

Tony Baldry (Banbury) (Con): When the Secretary of State for Communities and Local Government first proposed eco-towns, she brought forward a list of 15 and said that the Government hoped to have at least 10. The only difficulty is that today, the fifth of those dropped out, so from 15 we are now down to 10. Will the Leader of the House give an undertaking that no further announcement will be made on eco-towns until the House returns in the autumn, when we can have a topical debate to discuss the merits of those eco-town proposals remaining? That will give the Government an opportunity during the summer recess to reflect on the wisdom of progressing with many of those eco-town proposals.

Ms Harman: Over the past month, the House has had a number of opportunities to discuss eco-towns. As my right hon. Friend the Minister for Housing set out, we will make progress on the question of eco-towns, to ensure that we have more housing and that it is sustainable.

Mr. Dennis Skinner (Bolsover) (Lab): When my right hon. and learned Friend answered my hon. Friend the Member for Luton, South (Margaret Moran)—

Mr. Speaker: Order. I must ask the hon. Gentleman whether he was here at the beginning of the statement.

Mr. Skinner: I was here long before this business began.

Mr. Speaker: I will allow the hon. Gentleman to continue.

Mr. Skinner: I came in at five minutes to 11. Is that enough?

Mr. Speaker: That will do. That is why you are standing.

Mr. Skinner: That is right.

My right hon. and learned Friend the Leader of the House answered a question from my hon. Friend the Member for Luton, South about the problems with Luton Town football club, and the fact that it was being treated badly. If she—or someone on behalf of the appropriate Committee—makes representations to the Football Association, will they bear in mind that it seems significant that small clubs such as Luton, and Chesterfield a few years ago, have points deducted, but West Ham got involved in a major wrangle over two players last year and did not have points deducted as was supposed to happen? It looks to me like there is one law for the small clubs and another for those in the premier league. That ought to be brought to the FA's attention.

Ms Harman: Hon. Members are well aware that the small clubs play every bit as important a role as the big clubs, and should be treated fairly. I will bring my hon. Friend's point, and that of my hon. Friend the Member for Luton, South (Margaret Moran), to the attention of Ministers in the Department for Culture, Media and Sport.

Alistair Burt (North-East Bedfordshire) (Con): Can we have an urgent debate on the powers and effectiveness of the Healthcare Commission? In my constituency, Milton Park hospital, run by Brookdale Care, has in its first three years of existence had four inspection reports from the Healthcare Commission, all of which have ranged from poor to appalling. It is currently going through another inquiry following the death of a patient. I am not sure whether the Healthcare Commission has all the powers and effectiveness that it needs, and a debate would help to clarify that.

Ms Harman: The hon. Gentleman makes an important point, and I suggest that he draws it to the attention of Ministers at oral questions on health next Tuesday.

Mr. Mark Lancaster (North-East Milton Keynes) (Con): Can we have a debate on grandparents' rights? My constituents, Terry and Iris Lightfoot, who look after their grandchild, have been told that they can enjoy the formal and financial protection of becoming foster parents only by putting their grandchild into care with the local authority. They do not want to do that, because of the potential damage that it will do to the child. Although special checks are desperately needed, is it right that grandparents should have to take such action in order to carry on looking after their grandchildren?

Ms Harman: With more and more mothers going out to work, the role of grandparents, which has become more important, is absolutely pivotal. Many families just could not cope without the active role of grandparents, and that is the case for all families, whether or not they are in difficulties—although it is particularly the case for families who get into difficulties. Improving support for grandparents is an ongoing concern, and I will bring the hon. Gentleman's points to the attention of my right hon. Friend the Secretary of State for Children, Schools and Families.

Mr. Andrew Robathan (Blaby) (Con): Whether the Leader of the House publishes her recommendations before or after the recess, can she give a statement on the vexed issue of allowances in the near future, and particularly on the relationship between MPs' allowances and MEPs' allowances? Yesterday, she said that there is

> "an independent financial audit for each"

Labour—

> "MEP's total expenditure every year, which is then published on their website."—[*Official Report*, 16 July 2008; Vol. 479, c. 272.]

Unfortunately, that is not correct. It is not published anywhere. All that must happen is that

> "The Auditors report has to be presented to the EPLP by 31st March."

Ms Harman: As we are discussing the business for next week, I do not want to detain the House on issues that were debated at length yesterday on an Opposition motion. On the question of expenses of MEPs, and how Labour MEPs deal with the issue, my understanding is that there is a voluntary arrangement whereby Labour MEPs put their expenses on their own websites. [*Interruption.*] That is what I understand the position to be.

Mr. Philip Hollobone (Kettering) (Con): In 2006-07, 2,500 fixed penalty notices were issued in Northamptonshire for crimes including shoplifting, drunkenness and criminal damage, but only 836 were actually paid. Can we have a debate in Government time about the effectiveness of the fixed penalty notice system as a part of the criminal justice?

Ms Harman: My right hon. Friend the Home Secretary will make a statement on policing later this afternoon, so perhaps the hon. Gentleman will raise those issues with her.

Mr. Andrew Tyrie (Chichester) (Con): Hundreds of thousands of Equitable Life policyholders know that the Government did everything that they could to obstruct the report that has been published, and to delay the time when that investigation reached its conclusions. That has been confirmed by the ombudsman, who said that it was "iniquitous" and "unfair" that the Government failed to establish a single inquiry in 2001. Policyholders, who have been waiting eight years, want to know whether the foot dragging will now end, so that they can find out how much compensation they will get. It seems that we are getting more foot dragging from the Leader of the House right now. Can we at least have a debate, even a short debate, in Government time, to establish the criteria by which compensation will be assessed and paid, or are the Government too fearful of the £4 billion overhang that will hit an already distressed public sector financial deficit?

Ms Harman: I do not accept the hon. Gentleman's points or the implications that lie behind them. I have said how the Government propose to deal with the important report of the ombudsman on Equitable Life. I have nothing further to add.

Mr. Christopher Chope (Christchurch) (Con): I hope that the Leader of the House will respond to this question. She said earlier that the press should apologise promptly when they get it wrong. The Government have got it wrong on Equitable Life. Why will they not

[Mr. Christopher Chope]

do the ombudsman's bidding and apologise now? Why can they not put a stop to their weasel words on the issue?

Ms Harman: I do not want to draw out the issue, because two important statements are coming up. However, hon. Members should recognise that the problems in Equitable Life started to arise under a regulatory regime that was the responsibility not of this Government, but of the previous Government. If Conservative Members have joined us in being concerned that there should be proper regulation of the private sector, we welcome that.

Mr. Ian Liddell-Grainger (Bridgwater) (Con): I must go back to the vexed question of Somerset. I have carried out the right hon. and learned Lady's advice, but it now turns out that the deal with IBM, on which I want a debate, was negotiated on 21 February last year. They got the joint venture because of secret meetings, even though the bid was £25 million more expensive than the next nearest bidder. The only councillor who had the guts to stand up was Paul Buchanan, who was taken to the Standards Board for England on 55 charges by the chief executive of the county council. When I tried to sort the case out on his behalf, I was threatened with legal action by the Standards Board—

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I am sorry to interrupt the hon. Gentleman, but the questions are getting longer and longer. We have quite a long list of business items to deal with today. I think that the right hon. and learned Lady might have got the sense of what the hon. Gentleman is saying. *[Interruption.]* The look of puzzlement on her face induces me to allow one final sentence from Mr. Liddell-Grainger.

Mr. Liddell-Grainger: May we have a debate on the situation in Somerset and the joint venture between Somerset county council and IBM?

Ms Harman: I have on previous occasions suggested that if the hon. Gentleman wants such a debate he ought to look to Westminster Hall or an Adjournment debate. I was looking slightly dismayed, Mr. Deputy Speaker, because I think that it is very important that we do not stray into making serious allegations under the protection of the privilege of this House that we would not make outside the House or if we did not have that privilege.

John Bercow (Buckingham) (Con): I wish the Leader of the House an enjoyable recess and thank her warmly for next Monday's debate on speech, language and communication services. May we please have a debate in Government time, preferably on the Floor of the House, on autism? Given that of the estimated 500,000 people in this country on the autistic spectrum only 15 per cent. become independent as adults, 40 per cent. live with their parents all their lives and a mere 12 per cent. are engaged in paid work, is it not timely now for us to debate the Government's autism strategy in the interests of some of the most vulnerable people in our communities?

Ms Harman: I congratulate the hon. Gentleman on his report. As he says, the House will have an opportunity, which I know that it welcomes, to debate the subject on Monday. The question of provision and support for those with autism in their families will be centre stage in that debate.

Mr. Graham Stuart (Beverley and Holderness) (Con): May I ask the Leader of the House to speak to the Secretary of State for Children, Schools and Families and ask him to make a statement to the House on the chaos that has engulfed the key stages 2 and 3 SATs exams? The Secretary of State has admitted that 120,000 pupils will not have their results by the end of term and the Chairman of the Select Committee on Children, Schools and Families, on which I sit, has said that those who have just recently passed A-levels have been marking those papers. Is it not time that the Secretary of State did what he has so far refused to do—that is, that he apologised in this House?

Ms Harman: The Secretary of State gave evidence about those issues to the Select Committee yesterday. He has set up an inquiry under Lord Sutherland of Houndwood, which will report in the autumn. The hon. Gentleman will know that the Qualifications and Curriculum Authority has responsibility for the contract to manage the service. Many key stage 2 results for 11-year-olds went out on Tuesday and more will go out tomorrow. More key stage 3 results will go out tomorrow. The Secretary of State has said clearly that he believes that the situation is unacceptable and that is why he has established the inquiry.

Service Personnel

12.23 pm

The Secretary of State for Defence (Des Browne): With permission, Mr. Deputy Speaker, I should like to make a statement about the service personnel Command Paper, which I am publishing today and which has been laid before the House.

The men and women of our armed forces are a force for good. I know that the whole House is proud of the work that they do in dangerous and challenging circumstances, whether in Iraq or Afghanistan, or closer to home. All around the world, every day, they demonstrate their courage, dedication and professionalism, risking injury and death in the service of their country. They are a credit to the nation.

Increasingly, the level of support provided to our forces by the Government, and also more widely by the nation, has come under scrutiny from the public, the media and, most importantly, those in the services and their families. It is absolutely right that that should be the case. If we ask our forces to risk their lives in order to keep us safe, we should all be prepared to look after them while they are in service and afterwards. I believe that we have made a number of big improvements to the lives of our people in the past two years.

We have introduced the first ever tax-free operational bonus, we have invested substantial additional money to improve our armed forces' accommodation and we have awarded them among the highest pay increases in the public sector. However, we can and should do more. Last year, the Prime Minister and I asked ministerial colleagues across government what more we could do and should be doing to demonstrate our gratitude for the service and sacrifice of our service personnel. The result, led by my right hon. Friend the Minister for the Armed Forces, is today's Command Paper—the first ever truly cross-Government approach to demonstrating our commitment to the armed forces.

The Command Paper was not just a cross-Government effort. We also consulted our external reference group, among others, widely and in detail. That group comprised the Royal British Legion, the Soldiers, Sailors, Airmen and Families Association, the Confederation of British Service and ex-Service Organisations, the armed forces families' federations and the War Widows Association of Great Britain. I am delighted that they have so warmly welcomed the publication of this paper and will continue to work with us on its delivery.

This Command Paper is underpinned by two fundamental principles. The first is to remove any disadvantage. The nature of their work and the requirements of service life means that our people, and their families, can face disadvantage in their daily lives. Many of them move locations frequently, often with no choice of where or when, and schooling can be disrupted as a result. They might lose their place on a national health service waiting list, for example, or lose out on an in vitro fertilisation procedure. Many of the measures in the paper are therefore aimed at ending that disadvantage. They seek to ensure that service personnel and their families receive continuity of public services wherever they are based and wherever they are obliged to move.

The second fundamental principle is that where special treatment is required in order to recognise those who have sacrificed the most, we must and should provide it. This is a comprehensive package of 40 measures covering almost every aspect of life, from health care, education and transport to housing, resettlement and the care of veterans.

I want to highlight just a few of the commitments that we are announcing today. Right hon. and hon. Members are only too aware of the terrible price that some members of our armed forces have paid, suffering mental and physical injuries that will be with them and their families for the rest of their lives. Every Member of this House would agree with me that as a Government we should be willing to make the following commitment: if those personnel have been injured serving their nation, then the Government and the nation must ensure that we support them as much as they need for as long as they need. We must aim to offer the best possible continuous care from the point of injury, through to recovery and beyond, for the rest of their life. The measures set out in the paper are aimed at doing just that.

One of the key changes that we are announcing today is an increase in the compensation payments for personnel who suffer injuries due to their service. I understand that no amount of money can ever make up for the pain and sacrifice that these brave people have endured. However, we need to recognise the special nature of their sacrifice. The top-level tariffs in the armed forces compensation scheme will be doubled, affecting about 80 of the most seriously injured people who have already made claims since the scheme began in 2005. Obviously, it will apply to the most serious claims in future.

These things are quite complex as the compensation scheme has many different levels. In practical terms, though, that means that the lump sum awarded for the most serious injuries, which was previously between about £50,000 and £285,000, will double. The new maximum award for an injury will be £570,000. Everyone with an award for injury under the compensation scheme will benefit and the most seriously injured will benefit the most. On discharge, the most seriously injured will also continue to get tax-free income throughout their lives—the annual guaranteed income payment, which is also index-linked—so overall the lifetime payout could be in excess of £1.5 million. Furthermore, these compensation payments for those who are severely disabled will now be disregarded from the local authority means test when they are applying for the disabled facilities grant. That means that seriously injured personnel who receive a lump sum under the armed forces compensation scheme or war pension scheme will not have to spend that money adapting their homes. That money was intended by this House to be compensation for serious injuries, and this approach will guarantee that that intention is fulfilled.

That change is in addition to a host of other changes: seriously injured personnel will be prioritised in waiting lists for adapted social housing; we will roll out community mental health services for veterans nationwide, following successful pilots launched earlier this year; at the earliest opportunity, we will extend free bus travel across England to those service personnel and veterans under the age of 60 who have been seriously injured through service, and Scotland and Wales will do similar; and finally, severely disabled veterans will have an automatic entitlement to blue badges, which provide parking concessions, for life.

[Des Browne]

Everyone in this House knows that none of those things can make up for the injuries that some people will bear for the remainder of their lives. Nothing can do that. We owe this immense debt, and although it can never sufficiently be repaid, we should, and we will, do our utmost to acknowledge it. The Government will also strive to mitigate the disruptive consequences of mobility on family and everyday life. For example, we will provide continuity of national health service care for service families by ensuring that they retain their relative place on NHS waiting lists across the UK, however often they move, and we will take steps to improve NHS dentists for service families.

We will also minimise the disruption to education suffered by many service children. To that end, we will do the following: review admissions policy to ensure that service children are treated fairly in the allocation of school places; ensure that special educational needs support is uninterrupted when children move schools; and give service children priority access to places at state boarding schools.

Those who choose to leave the armed forces will enjoy a greater level of support, ensuring a smooth transition to civilian life. We will give free further or higher education to service leavers of more than six years' experience, up to first degree level. That means that a soldier, sailor or airman can join the armed forces from school, secure in the knowledge that six or more years' service will be rewarded with the chance of a college or university education free from tuition fees. We will also make it easier for service leavers to find homes, whether through the purchase of their own properties or through social housing. We recognise that the mobility of the average service career—typically, people move every two years—means that individuals often prefer to wait until they leave the armed forces before buying a home. For that reason, we will extend the key worker living scheme so that service personnel are eligible for its assistance to purchase homes for one year after they leave the forces.

Social housing will also be more accessible to service leavers. In the past, service leavers had difficulties obtaining social housing, as local authorities prioritise individuals with a "local connection" to the area. This legislation will be changed, enabling personnel to establish a "local connection" and so settle in the location of their choice. That is not all, because we will make empty MOD properties available to service leavers as an interim measure, and we will work with the Department for Communities and Local Government, the Housing Corporation and charities to reduce the incidence of homelessness, which will include building new supported housing on gifted MOD land.

In this Command Paper, the Government have listened to the real needs of the service community and responded to those identified needs, introducing real improvements. We are as committed to our armed forces and veterans as they are committed to us, and we will deliver on these promises; after all, it is the very least we can do. The measures I have outlined are the Government's—and, indeed, the nation's—commitment to honour and care for those who have sacrificed most in service to their country, and let me make it absolutely clear that this is for the long term. It is the product of many months of concerted effort by Government Departments and the devolved Administrations. We are determined to make this stick, and we will put in place mechanisms to ensure that we deliver. I commend this Command Paper on the nation's commitment to our armed forces, their families and veterans to the House.

Dr. Liam Fox (Woodspring) (Con): I am grateful to the Secretary of State for his statement and for prior sight of it. Conservatives welcome any measures to help our armed forces and their families, and indeed many of the proposals announced today echo proposals that we have made over the past year. Although it may have taken a long time for the Government to introduce this package of measures, if this is the beginning of a genuinely constructive and bipartisan approach to the welfare of our armed forces, their families and service veterans, the whole country will welcome it.

No other group in our society is asked to make the sort of sacrifices that our armed forces make on our behalf. Those on both sides of the House who have visited our troops in Iraq or Afghanistan know the hardships that they face. Those who have talked to service families about how they feel when they hear that another soldier has been killed or injured but they have not yet learned the name of the person involved marvel at their courage. Those who have visited young soldiers in Selly Oak or Headley Court have been humbled by the soldiers' lack of self pity in the face of great adversity.

May I ask the Secretary of State to clarify a number of points in his statement, starting with the compensation issue? We welcome the doubling of the maximum award for the most seriously injured, but he will be aware that the points system determines eligibility for the most serious injury payment and that it has attracted much criticism. That issue has been raised by hon. Members on both sides of the House. Does he believe that the system is sufficiently holistic in its approach? What plans are there for a review of it, and when will that take place?

Secondly, the Secretary of State said, "Everyone with an award for injury under the compensation scheme will benefit". Will he clarify that? Does he mean that there will be an automatic uprating of all awards made since 2005, and if so, when will such changes be made? What of those injured in Iraq or Afghanistan before 2005? What changes will be made to bring their treatment and compensation into line with the changes announced today for those injured after 2005? The public will find it hard to accept an arbitrary date for discrimination in treatment. May I remind the House that between 1 January 2003 and 31 December 2005, 33 UK military personnel were categorised as very seriously injured and 78 were categorised as seriously injured, and that in Afghanistan between 2001 and 2005, six were categorised as very seriously injured and four as seriously injured? What will happen to them?

Can the Secretary of State also tell us how many claims have been made by former service personnel against the MOD in the civil courts, how many such claims are outstanding and what the estimated liability is? What assessment has he made of the likely impact of today's statement on those claims? Finally, will more money be made available from the Treasury for the changes that he has announced today, and if so, how much? We do not want the MOD to be forced to cut other parts of an already overstretched budget.

We welcome other moves that have been announced, but we will want to examine the practicalities. For example, providing good mental health services to veterans requires better integration between defence medicine and the NHS, and although the aim of providing better access to NHS dentistry for service families is desirable, it will not be helped by the fact that the number of NHS dentists declined by a further 500 in 2007.

We would also like to re-examine the issue of the educational status of those leaving the forces, which the Secretary of State mentioned. Many of those who have taken an interest in this issue point out that the underskilling of those who leave the services early is often a greater problem than the one in respect of those leaving after six years. I hope that the Government will re-examine how such people might also be helped.

Finally, may I thank all in the media, in charities and among the general public who have campaigned so tirelessly for the better treatment of our service personnel and their families, and our veterans? Specifically, may I thank Freddie Forsyth and his team, which includes Simon Weston, for the work that they have done for the commission that was set up by my right hon. Friend the Leader of the Opposition on service welfare? I hope that the Secretary of State will acknowledge what has been a great act of public service on their part.

How we deal with our armed forces is symptomatic of the values of our society. Ultimately, we will have to deal with the overstretch that contributes to many of the problems that those in our armed forces and their families face, but today there has been a welcome acknowledgement of how much needs to be done.

Des Browne: I thank the hon. Gentleman for his welcome of this package. I appreciate that he has not had the time to go through it in detail, but as he understands more about it and the impact that it will have, he will recognise that it faithfully represents the issues that members of the armed forces and their advocates, including those organisations he identified, have brought to our attention. We have been engaged in a detailed and ongoing consultation, which we announced last year.

I say to the hon. Gentleman that we should all avoid trying to stand on that small space normally occupied by *The Sun*, and claiming to be "the persons wot dunnit". There will be significant competition for the credit for these proposals, but they are the result of a genuinely co-operative effort, which has been going on in some detail for a long time, to identify the needs of our service personnel. The announcement reflects the issues that service people and their families brought to us through various organisations and in several ways. For example, many people contacted us about their individual circumstances, but we have an obligation to keep those communications confidential.

The hon. Gentleman asked several questions about the uplift in the tariff rates of the armed forces scheme. I am satisfied that the tariff approach to a no-fault compensation scheme is the only fair way to conduct that process. He referred in passing to civil claims. When there is an allegation of negligence, one can treat the calculation of compensation differently, but when there is no fault, there has to be transparency and fairness, and some form of tariff. That is now well established in public policy, and previous Governments have had similar schemes.

I am satisfied that the scheme works and is fair. I am always prepared to consider reviewing it to make it more transparent and fair, but the doubling will go down to tariff level 6; the hon. Gentleman may be familiar with the structure of the scheme. Below that, there will be increases, but they will not be proportionately as large as those for the most seriously injured.

The hon. Gentleman asks when the changes will come into effect. He will know that, because it is a statutory scheme, they cannot come into effect until the relevant legislation has been laid. Secondary legislation has to be laid, and that requires a period of consultation. We will publish the detail so that people can see the effect of the scheme on the tariff levels as soon as we are able to do so. There will be a short period of consultation, and then I expect, because of the general welcome for the changes, that the House will approve the proposals. We will have a relevant benefit uplift for everybody who has made an application to the scheme since it started in 2005.

The hon. Gentleman asks me to do something that I am not aware any Government have ever done—to make the scheme retrospective and apply it to people who were compensated or supported under an entirely different scheme of compensation. I hasten to add that the previous scheme was inherited from the previous Government. There was dissatisfaction with that, and we have changed the scheme, but it is not appropriate, in public policy terms, to apply the changes retrospectively to people whose compensation or support was calculated under a different scheme, given that many people—not just those who have been in Iraq—still receive income under that scheme.

The hon. Gentleman asks whether additional resources will be provided. Substantial additional resources will be provided, but they will be gleaned from the budgets of other Departments. We joined with those Departments and the devolved Administrations to ensure that resources could be identified to meet the principles set out in this paper.

Finally, on the hon. Gentleman's specific questions, he asked about the civil claims. He will appreciate that I do not have that information with me, but I will ensure that he gets it and that it is shared with him and made available to all Members. I thank him for the tribute that he paid to our armed forces. He knows that I share his view that they are excellent people who do excellent work very bravely and professionally. I am pleased that there is such consensus of welcome for the changes in the House and I hope that we will all work to ensure that they are implemented as quickly as possible and that the Government are kept to their promises.

Willie Rennie (Dunfermline and West Fife) (LD): I thank the Secretary of State for giving me advance sight of the statement and for the statement itself. I, too, wish to pay tribute to those who have sacrificed so much for their country, including one of my constituents, Sergeant Scott Paterson, who was recently badly injured in Afghanistan.

Who could disagree with these welcome proposals, which are a great step in the right direction? The bus travel, the blue badges, the further and higher education and the compensation uplift, as well as the priority in housing, health—especially mental health—and education for veterans, are all positive steps in the right direction.

[Willie Rennie]

I will withhold judgment, however, until I see the final details, because many of the proposals include proposals to change priorities and move people up lists. Because such changes are complex and fraught with difficulties, I would like to see the details of the proposals before making a final judgment on them. I can pledge the support of this party in making the proposals work effectively on the ground, where support from local councils, the Scottish Parliament or the Welsh Assembly is required.

I was surprised that no proposals were made to speed up the upgrade of the notoriously poorly maintained single living accommodation. Nor was there anything on the rights of the Gurkhas. Especially given recent coverage of the issue, I would have expected something about their rights to live in this country.

I was disappointed, although not surprised, that no mention was made of the real issue—the elephant in the room. It is bunkum to suggest that these proposals will address overstretch in our armed forces. We are asking them to do too much on two fronts, in Afghanistan and Iraq. Until we address that serious issue, we will continue to see discontent among our armed forces. I urge the Minister to review our operations, especially in Iraq. The tempo of operations there is placing enormous pressure on our armed forces and their families, and unless the issue is addressed, including withdrawal of our troops from Iraq, we will for ever be fiddling at the edges.

Des Browne: I welcome the hon. Gentleman's warm welcome for the announcements, although he did get to the "but" eventually. I thank him for his tribute to the armed forces and recognise the special contribution that his constituent, Scott Paterson, made. I know of his circumstances, but as Secretary of State, I cannot single him out. He is one of many who have suffered injuries and borne them with great stoicism and courage.

The hon. Gentleman suggests that the implication of the proposals is that service people will move up lists. That may be the case, but the intention and the principle, which we have stated at the outset, are that members of the armed forces and their families should not be disadvantaged by their circumstances. No member of the armed forces came to me and said that they wanted to be able to jump up lists for treatment or for their children to be treated better than any other children. They said that they did not want their lifestyle, which they accept, to operate to their disadvantage. We are trying to find ways to ensure that that principle is observed. We are not asking for people to jump up lists and, indeed, members of the armed forces and their families would be the last people who would want to queue-jump. They are much more likely to stand back and let others go first, but they do not want to be disadvantaged. That is the point, with respect to the hon. Gentleman.

The hon. Gentleman also mentioned a failure to deal with the issue of accommodation. When he gets an opportunity to read the paper in detail—the devil is always in the detail—he will see that paragraph 3.5 and the following paragraphs are devoted to accommodation. In part, they point out what has been achieved, and that is something that I think that he does not appreciate. We have invested £1.4 billion in delivering single-living accommodation, and to date that has produced 26,000 new bed spaces. A further 30,000 are planned, as part of a planned investment in accommodation in excess of £8 billion over the next decade. So it is not correct to say that we are not giving accommodation the priority that it deserves.

Finally, the hon. Gentleman identified what he considers the real issue, and I shall say two things in response. First, I regularly meet our forces doing their jobs in the operational environment. They never complain to me about their morale when they are doing their jobs, because that is when they are at their happiest, most content and most professional. There is no morale problem when we ask people to do what we have trained them to do.

Secondly, I recognise that our armed forces are operating at a tempo that is beyond what we planned for. I have said time and time again at this Dispatch Box that it is our intention to deal with that. In my term as Secretary of State for Defence, we have already drawn down significantly in Iraq. We are in transition, and we intend to do more in the way of draw-down to resolve the tempo problem.

Several hon. Members *rose—*

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. May I appeal for the co-operation and understanding of hon. Members? There is another important statement to come and some important business thereafter. May I therefore ask for precise, singleton questions and brief answers? That would be extremely useful.

Mr. Kevan Jones (North Durham) (Lab): I warmly welcome the Command Paper. I have visited troops in Afghanistan and Iraq in the last three weeks, and they, too, will warmly welcome this paper. How will the paper be put into practice? During the inquiry into health by the Defence Committee, it came to light that although the MOD had clear policies, they were not being implemented with the necessary vigour in places such as the devolved Administration in Scotland. Will my right hon. Friend reassure me and other Members that there will be some over-arching Government body to ensure that the very welcome proposals in the Command Paper are put into practice?

Des Browne: My hon. Friend identifies an important point. I pay tribute to him for the lengths that he goes to, along with some other hon. Members, to make sure that he knows exactly the circumstances of our troops, both in the operational theatre and otherwise. At the heart of the proposal and the infrastructure put in place to support it will be a committee, chaired by the Cabinet Office. Its membership will include representatives of the external reference group who were involved in advising us, as well as representatives of all the Government Departments, including the MOD, that are required to deliver on these promises.

The committee will meet regularly and report. It will have champions for delivery in each Department, and they will be at director level in the civil service. More than that, the committee will send an annual report on delivery to my right hon. Friend the Prime Minister and myself, and there will also be a five-yearly review. Finally, given that the devolved Administrations also have a responsibility in these matters, the reports will be sent to the First Ministers in Scotland and Wales, and to the First Minister and Deputy First Minister in Northern Ireland.

Mr. Bernard Jenkin (North Essex) (Con): May I echo the welcome that other hon. Members have given this Command Paper? However, will the Secretary of State reflect on the fact that people leaving the armed forces prematurely say that the single most important reason for their decision is the excessive separation from their families? That is a product of the fact that the armed forces have been operating well beyond the defence planning assumptions for most of the years since those assumptions were set in the 1998 strategic defence review. Is it not time now to have a debate about what the defence planning assumptions should be? Even if we were to succeed in withdrawing substantially from Iraq in short order—and I doubt that that is in our national interest—it would not be long before another theatre of operations demanded our attention. That is the role that we pursue in our national interest. Can we have an open and public debate over the next few months about the defence planning assumptions, so that we can begin to recalibrate our defence policy to reflect the world as it is—

Mr. Deputy Speaker: Order. We really have not got off to a very good start here.

Des Browne: I thank the hon. Gentleman for his welcome for the Command Paper. That means something to me, as he studies these matters in some detail and knows what he is talking about. He knows, too, that I constantly reflect on the issues that he raises. I do not accept his conclusion about Iraq, because we always make our decisions on the basis of the conditions. There are many opportunities to raise the issues that he mentions in the regular debates that we have in this House on MOD and defence issues. I should be happy to debate them at any time.

Mr. Brian Jenkins (Tamworth) (Lab): First, on behalf of service personnel, their families and their extended families—that is, their parents and even grandparents—may I thank the Secretary of State for the Command Paper? I consider it to be a major improvement in the military covenant for this country. In no way do I wish to appear churlish, but there is one matter that I hope my right hon. Friend will clarify. The Command Paper says that people who leave the service will get one year's key worker status, but it does not mention anything about free higher or further education. When military personnel leave the forces it sometimes takes them two or three years to become acclimatised to civilian life. Will people be given the opportunity to go into free higher or further education even three or four years after leaving the services?

Des Browne: I welcome my hon. Friend's welcome for the paper. He is a member of the Defence Committee and so has significant knowledge that qualifies his welcome. I admit that I am slightly embarrassed that I cannot immediately answer his specific question—[*Interruption.*] It is a good point and, since I am the Secretary of State, I can tell him that there will be flexibility in this matter.

Patrick Mercer (Newark) (Con): May I say to the Secretary of State that these measures are extremely welcome? I wish that the paper had appeared slightly earlier, but I do not want to seem churlish about the measures that it contains. However, the right hon. Gentleman has not mentioned those people who are sick but continue to serve. There has been a huge erosion in fighting power, particularly in our combat arms. For instance, 20 per cent. of the strength of the 3rd Regiment Royal Horse Artillery are unfit for operations, while 39 men in the 1st Battalion Royal Anglian Regiment have been diagnosed with seriously injured hearing and cannot return to the front. That is a matter of grave concern, and it compounds the manning and staffing crisis that our combat arms are facing. Will the Secretary of State give a clear and positive answer about what we are doing about the problem?

Des Browne: As the hon. Gentleman knows, we have invested significantly in the medical care of our armed forces, and at the heart of that is the Royal Centre for Defence Medicine. Our investment has built on reforms initially put in place by the previous Government, although we have radically accelerated those reforms. When the Select Committee examined medical care, it produced a report that I thought was very complimentary. I understand that we face a challenge when it comes to service personnel who are too ill to be deployed, for example, but he will know that Headley Court is the jewel in the UK's crown when it comes to rehabilitative medicine. We have announced an additional investment of £24 million in that facility. We continue to research and invest to ensure that we maintain the health of our armed forces. It is our ability to identify the problems and to respond to them through the Defence Medical Rehabilitation Centre that has inspired the compliments that have been paid to our defence medical services. However, there is still more work to be done.

Mr. David Crausby (Bolton, North-East) (Lab): I thank my right hon. Friend for his excellent statement to the House, but may I ask him to pay particular attention to the mental health problems suffered by our service personnel? Often, they are not revealed for many years. Will he ensure that we have a system for keeping in contact with personnel throughout their lives?

Des Browne: My hon. Friend, who is a member of the Defence Committee, knows that we have been working in this area; in particular the Under-Secretary of State for Defence, my hon. Friend the Member for Halton (Derek Twigg), has been working in this area with some vigour. Apart from the mental health pilots, which were extremely successful and which we are now about to roll out across the country, one of the things that we put in place early was the tracking system to enable us to keep in contact with our people, recognising that the symptoms of mental health problems sometimes have a late onset. So my hon. Friend can be reassured that we are developing that system and we have confidence that we shall be able to keep in touch with our people. Another of the innovations of our approach to mental health is that we now deploy with our troops mental health support staff,

[Des Browne]

both psychiatrists and psychologists' to enable us to deal with these issues in the circumstances where early symptoms sometimes arise.

Mr. Nigel Dodds (Belfast, North) (DUP): May I warmly welcome the statement by the Secretary of State today? Our service personnel are doing a fantastic job in very difficult circumstances and they deserve all the help they can get when they leave the service or are injured.

An issue was raised with application to those who had been previously awarded compensation or previously had adaptations to their home. People will find it difficult to understand why some people will be treated differently now, compared with those who already received compensation at a lower rate. Will the Secretary of State look at that, because I think that that issue will become a bone of contention and undoubtedly will be raised with us by service personnel and their families?

Des Browne: I understand the point that the hon. Gentleman makes in welcoming this announcement. This compensation scheme started in 2005. We have committed ourselves to a system of benefits that will ensure that all those who have been compensated under the scheme will have been treated in exactly the same way as all those who prospectively make an application to the scheme. Those who were dealt with under an entirely different scheme, which operated an entirely different method, are continuing to receive the benefits, although some of them have yet to receive the benefits under the qualifications in that scheme. I think it would be dishonest of me to suggest that any Government would be likely to apply the changes to one scheme retrospectively to an entirely different scheme altogether, but I recognise the point that the hon. Gentleman makes. There may be other ways in which we can support those people, and certainly some of the other improvements that are announced in the document that we have published today will be of benefit to them.

Linda Gilroy (Plymouth, Sutton) (Lab/Co-op): May I join in warmly welcoming the way in which my right hon. Friend has worked with his colleagues across government and listened to people both in this place and outside, and more particularly, to the families? Since I was elected, I have been lobbied by the Army Families Federation and locally in the Crownhill family centre, and I am sure that there will be a very warm welcome for the statement. But may I ask him—I scarcely need to ask him, I think—to involve families in the external reference group?

Des Browne: I thank my hon. Friend, who has a long track record of interest in and support for families of service people and, indeed, for service people, many of whom live in her constituency. The answer to her question is simply yes.

Mr. Philip Hollobone (Kettering) (Con): Lack of access to NHS dentists is an important point for servicemen, servicewomen and their families and the Secretary of State has rightly announced that he is seeking to improve the situation. Given that the number of NHS dentists—for whatever reason—is falling and that we do not have enough service dentists, what practical steps will the Secretary of State take to improve the access for servicemen and women and their families?

Des Browne: Practically, what we intend to do, where we have existing facilities—consulting rooms for dentists—is to work with the health service to arrange for NHS dentists to come in and use our facilities, when they otherwise would not be used, in order to offer treatment to service people and/or their families; and to use mobile dental facilities where we cannot do that to make up the difference. In order to work out the practicalities of that, we will pilot it first in two places, and then once we have worked out the parameters and what we need to do to make it work, we will extend it across the country.

Mr. Eric Joyce (Falkirk) (Lab): My right hon. Friend's comments on education today are an explicit recognition that many people join the armed services with a pretty patchy record in education, but once they are there, they discover a prodigious capacity to learn. Will he assure the House that his Department will make a careful and concerted effort to liaise with institutions of further and higher education to ensure that leaving servicemen get the very best from his announcement today?

Des Browne: With the Department for Children, Schools and Families, my right hon. Friend the Secretary of State for Children, Schools and Families and the devolved Administrations, we will of course ensure that our people know how they can access further or higher education where those courses are available. But I say this to my hon. Friend, and I am sure he knows that it is true: I have not known of an educational establishment that would not be very pleased to have people who have come out of the services because of what they bring—not just what they come to the institutions to achieve, but what they bring by their presence in terms of discipline and all the other aspects of service life, which we are most proud of and which they inculcate into others around them.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): I very much welcome the bringing together of Departments to show this country's appreciation of the service that our personnel give and the sacrifice that they make for the country. The right hon. Gentleman mentioned earlier that veterans do not want to be seen to jump queues, and he has recognised that veterans are very stoical, so what efforts will be made to get out to veterans their entitlements under these new schemes, and what should they now be asking for of Government Departments that was not available before?

Des Browne: Part of our undertaking in the plain language of this document is to produce simple guides in plain language and to distribute them by all means of communications through the organisations that we have been working with and by other methods of communication, which are well known, to ensure that people know what they are entitled to.

Mr. David Kidney (Stafford) (Lab): I thank the Ministry of Defence for the additions it has made to its own services for armed forces members, their families and veterans. I congratulate my right hon. Friend the Minister for the Armed Forces on his patient and skilful negotiations with other Government Departments that have made additions to their services. In terms of joined-up government, I am sure that my right hon. Friend learned a very painful lesson about how difficult that is in practical terms. What commitment has he obtained from other sponsoring Departments that the front-line staff in the delivering organisations, such as health trusts and councils, will be aware of the obligations that their organisations will now be under towards these people?

Des Browne: I welcome my hon. Friend's question and I am content to add my own compliments to his compliments to my right hon. Friend the Minister for the Armed Forces, and to the Under-Secretary of State for Defence, my hon. Friend the Member for Halton (Derek Twigg) and many others, including unnamed officials who will continue to be unnamed, who have worked very hard. This document is a good example of government at its best, working together. That requires quite a lot of work, from other Departments as well as from our own Department, but it is a good piece of work.

The communications exercise will be required to ensure not only that those who are entitled to services of this nature know that they are entitled to them, but that those who should deliver them know that they are dealing with people who qualify for them and will ensure that that is done.

Mr. Quentin Davies (Grantham and Stamford) (Lab): Since my right hon. Friend has had his job, he has made a series of decisions substantially enhancing successively the pay, the conditions and the equipment available to our fighting services. Our forces will be deeply grateful to him for that and the whole country should be deeply grateful to him for that.

In comparing the lump sum under the compensation scheme that my right hon. Friend has set out this afternoon with damages in the civil courts, am I right in thinking that, in order to make a fair comparison, one should add to that lump sum the present value of the war pension or disability pension that the beneficiary will be receiving, so as to get an equivalent figure?

Des Browne: My hon. Friend, in the work that he did on the recognition study that he carried out so effectively and efficiently—indeed, he distinguished himself by delivering it on time to my right hon. Friend the Prime Minister—has made a significant contribution in a very short period to the objective that we all share that, as a nation, we should recognise what our armed forces and those who support them do in the service of the country. So I pay tribute to him and reciprocate his words. I am very grateful to him for the warm words that he has used in the House about my contribution, although many people deserve congratulations on and credit for what we have achieved over the past couple of years.

My hon. Friend is quite right to say that there is a predilection to compare apples with pears in relation to the amounts paid out by the no-fault compensation scheme and the awards in the civil courts. Frankly, I gave up trying to explain the difference, because no one seemed to be listening, but we might begin to win that battle now that we have figures that aggregate the guaranteed income payment and the lump sum into a proportionate amount, which I believe that people will consider appropriate compensation.

Mr. Lindsay Hoyle (Chorley) (Lab): I welcome the statement, because it gives an absolute commitment on compensation and education, but does my right hon. Friend recognise that we will be judged on whether we ensure that we have houses fit for heroes when they leave the forces? So will he work very hard with housing associations and local government to deliver that, because they must recognise that provision is needed to ensure that those people have quality homes when they leave the services?

Des Browne: The point that my hon. Friend makes is very important to service people. Indeed, this morning, I spoke to some service people who, despite the stage that they were at in their careers, were anticipating the possibility that they might at some time get on to what they described as the housing ladder by owning their own house. I am determined that we will make strides in that regard. The provisions in the document help us substantially along the way, but those who read it carefully will see that that work is only just beginning. I still have other ideas, which I will announce to the House in due course, once I have worked them through.

Joan Walley (Stoke-on-Trent, North) (Lab): I give my wholehearted support to the statement today, and I thank my right hon. Friend for the courtesy that he has shown to servicemen and women in north Staffordshire. It is important that all armed forces families are aware of what they will be entitled to subsequently. I wonder whether the armed forces parliamentary scheme and MPs who have taken part in it can have a role in helping to increase awareness about the new opportunities that armed forces personnel will now have.

Des Browne: I thank my hon. Friend for her remarks and, from my own experience of her advocacy on behalf of families and service people, I know of her work to support her constituents. I pay tribute to her for that. Frankly, all MPs have a responsibility, whether they are in the armed forces parliamentary scheme or not, to disseminate this information. If my Department can do anything to assist MPs of any party to disseminate it to the total population of about 10 million people in this country who could be affected by these provisions, we will do so.

Andrew Mackinlay (Thurrock) (Lab): Will the Secretary of State revisit the question of requiring local authorities by statute to allocate a small proportion of their housing stock for nomination to service leavers? It is unfair to some local authorities that have a disproportionate burden and meet it that others simply are not playing their patriotic part. It would be much better if each local authority had to make a small allocation of its housing stock available to service leavers.

Des Browne: I have never heard that suggestion made to me before.

Andrew Mackinlay: I have done so before in the House, and you said that you would look at it.

Des Browne: I will need to check *Hansard*. I regret it if I have forgotten that I gave that undertaking, but the document contains a specific provision in relation to the housing allocation that we are in the process of delivering

[Des Browne]

in England. We have complementary undertakings from the Administrations in Scotland and Wales to follow our decisions on the allocations policy in England. I believe that that is entirely consistent with what the armed forces have asked us to do, but I will just have to give my hon. Friend another commitment to go away and look at his suggestion.

Mr. Adrian Bailey (West Bromwich, West) (Lab/Co-op): I join other hon. Members in welcoming the statement, which reinforces the status of the armed forces, addresses the injustices that they have suffered in the past and presents opportunities for those in the armed forces. What assessment has my right hon. Friend made of the possible impact of the package on recruiting able young people to the armed forces in the future?

Des Browne: My hon. Friend knows that we regularly survey the armed forces and beyond them to establish their motivations in relation to either retention or their desire to leave the forces. We have identified that in the issues addressed in the document and in the steps that we have taken over the past six months—for example, improved commitment bonuses, the tax-free operational allowance, the whole host of things that we have done in personnel investment in Headley Court, child care vouchers, council tax relief and the freepost issues in which we are in partnership with the Royal Mail. We have comprehensively addressed the list of issues that motivate our people. At the end of the day, of course, for all sorts of reasons, people come and go in all sorts of jobs, including jobs in the House, and we should encourage our people to do so and ease their path to prepare them for future careers. We will do that by the steps that we have announced in the document as well.

Policing Green Paper

1.16 pm

The Secretary of State for the Home Department (Jacqui Smith): With permission, Mr. Deputy Speaker, I should like to make a statement on the Government's policing Green Paper, which will help the police to continue to cut crime, drive up confidence and deliver for the public. Copies of the paper have been placed in the Vote Office.

Today's Green Paper is built on foundations of success. The crime figures published this morning show that, in the past year, vehicle crime is down 14 per cent.; criminal damage is down 13 per cent.; violence against the person is down 8 per cent.; robbery is down 16 per cent.; and burglary is down 4 per cent. Since 1995, the number of violent incidents recorded in the British crime survey has fallen by half, representing around 750,000 fewer victims. We have met our target, set in 2004, to reduce crime by 15 per cent. Indeed, we have exceeded it; crime over that period fell by 18 per cent., and the chances of being a victim of crime are now at their lowest since 1981.

This success is a tribute to the police service of this country—the men and women, warranted officers, police community support officers and staff across the growing police family, to whose bravery and dedication we owe so much. Whether working in one of over 3,600 neighbourhood policing teams, forming the backbone of emergency response policing, tackling the threat of terrorism or working in specialist victim support roles, our police service is the envy of the world.

We stand today at a crossroads for the future of policing: over a decade of record investment; a bigger and more flexible work force; and now neighbourhood policing everywhere in England and Wales, alongside new technologies and improved systems. But the service also faces unprecedented challenges. From new forms of criminal activity and terrorism to new ways of working in partnership locally, the service's scope has never been so broad and public expectations have never been so high. Both Sir Ronnie Flanagan and Louise Casey, in their separate but linked reviews of policing and crime, have emphasised how important it is that the public can feel that they are able to influence policing priorities and that people know what they can expect from their police locally.

The public want a new deal with their police service, and I know that the service wants to deliver to the highest standards for the public everywhere. The public are the best weapon in the fight against crime, but they need to be clear about what they can expect from the police. They want to see transparent, reliable and responsive policing. That will drive greater public confidence. Today I, along with the leaders of the service, accept the challenge of driving up public confidence.

To deliver on that ambition, the Green Paper will set out nationally agreed rights to be in place in every police force by the end of the year. Those rights will form the new policing pledge, with both national and local elements, that clearly expresses what we can each expect from our police service and that ensures that the public's voice is heard during the setting of police priorities.

The police are committing to minimum service standards everywhere. That means, for example, that as well as performing excellently in getting to emergencies when we need them to, the police will now offer appointments for non-urgent calls at a time convenient to the individual concerned and within 48 hours. In addition, we will legislate to strengthen the democratic link with the public by introducing local, directly elected crime and policing representatives. They will form the majority on police authorities, and will be responsible for ensuring that the police are tackling the priorities that concern us most, including by chairing their local crime and disorder reduction partnerships. Local information, with crime maps everywhere by the end of the year, will further empower the public.

To give the police the tools to do the job and the time to spend on the front line, we will invest a further £25 million over the next two years to put more mobile data devices in the hands of front-line officers. By March 2010, the additional £75 million that the Government will have invested in those forms of police information technology will have meant an extra 30,000 mobile devices.

Furthermore, we will implement across England and Wales the current pilots on cutting the bureaucracy around crime recording and on scrapping the stop and account form. Jan Berry, the former chairman of the Police Federation, will take on the work that Sir Ronnie Flanagan has begun by becoming a new independent champion for the ongoing reduction of police bureaucracy. She will be a powerful voice for the concerns of front-line officers. However, today I want to go further. I have decided that the time is now right to strip away all but one top-down target for police forces, to deliver improved levels of public confidence that crime is being tackled. That is a direct response to calls from chief officers for the space and freedom to focus on tackling crime. It is a significant mark of my trust in them.

With stronger and more accountable police authorities, a robust and independent inspectorate and the momentum that the policing pledge gives us being delivered by the end of the year, today's Green Paper is the next stage of police reform. It is our response to the views expressed by front-line officers and staff up and down the country and by the communities that they serve. It represents a new deal, and will mean greater freedom for the police, matched by greater power for the public. I commend this statement to the House.

Mr. Dominic Grieve (Beaconsfield) (Con): First of all, I thank the Home Secretary for advance sight of her statement.

Given the now daily tragedies on our streets, the public have long been waiting for sensible action from the Government on policing. I am afraid that it is not success in crime reduction that brings the Home Secretary to the Dispatch Box today, but massive public disquiet. We know what the problem is. Recorded violent crime has virtually doubled in 10 years. Police numbers are up by 10 per cent., and detection rates for violent offences are down by a quarter. We know why there is a problem; after all, we have had five Labour reviews of policing. Does the Home Secretary accept Sir Ronnie Flanagan's surgical dissection of serial ministerial failures which revealed "perverse incentives", a "raft" of targets and officers "straitjacketed by process"? We also know what is needed to free up the police: less red tape, fewer targets and greater local accountability of police to the communities that they serve.

The Green Paper offers some constructive ideas, but I have to say that virtually all of them originate from this side of the House. Take the Conservative crime mapping proposals; they were announced in April and are already being implemented by a Conservative Mayor of London—months later, they have been pinched by the Home Secretary for her policing pledge. Take her piloting of the abolition of the stop and account form. That is a greatly watered-down version of the nationwide overhaul that we proposed in February to free up nearly 1 million police hours to get officers back on the street. Why not scrap them altogether, as we propose? There is also the promise to review the onerous bureaucratic burden that the Regulation of Investigatory Powers Act 2000 places on the most basic investigations. That is a straight lift from Conservative party policy.

I also note that the Home Secretary has said that she wants to strip away all but one top-down target for the police. That, however, is not how it is stated in the Green Paper itself. Will she guarantee that these targets will not be reintroduced in some new form? There is also a string of rehashed, reheated and half-baked announcements. Neighbourhood policing teams, for example, were announced three years ago and again six months ago—why have they been announced again today? Perhaps she would like to tell the House. As far as I can recollect, monthly victim progress reports were announced in 2005, but they have been reheated today for media consumption, so presumably they were never implemented. There is also a series of police response targets. I ask the Home Secretary to identify one of them that is new.

In fairness, the policing pledge is explicit about its total lack of ambition; that is highlighted in bold on page 29, which says that

> "many forces already have these standards in place."

The Green Paper dismisses a more radical approach to slashing forms as futile, and the Minister for Security, Counter-Terrorism, Crime and Policing can still not name a single one of the alleged 9,000 forms that he previously claimed had been removed. When will the Government learn that perpetual repackaging is no substitute for real delivery?

Then there are the typically ill-thought-through eye-catching gestures that have little bearing on reality. How will the Home Secretary implement the utterly implausible guarantee that 80 per cent. of police time will be spent on patrol, when the proportion is currently only 14 per cent? Is that not what she really means and is there not an obfuscation in the Green Paper? Who does the Home Secretary think she is kidding in announcing the appointment of a police bureaucracy champion? I am delighted to hear of Jan Berry's appointment, but I gently point out to the Home Secretary that the previous post of national bureaucracy adviser has been kept vacant by the Government for two whole years. The half-hearted proposal for a crime representative on police authorities is a pale imitation of the Conservative commitment to directly elected local police commissioners.

The truth is that this exhausted Government can offer neither the inspiration nor the perspiration to deliver the serious and sustained reform that the police

[Mr. Dominic Grieve]

so badly need. In the meantime, there is a gun crime every hour, there are five fatal stabbings every week, and we still do not have any proper Government information on violence against under-16-year-olds, although the information has been demanded by Members on both sides of the House for years.

In conclusion, does the Home Secretary agree that the 22,151 serious offences involving knives, for which we for the first time have a figure, is a pretty damning indictment of a Government who seem consistently more interested in chasing headlines than chasing the perpetrators of crime?

Jacqui Smith: How very disappointing it was that the hon. and learned Gentleman could not find it in himself to congratulate the police and their partners on the very considerable reductions in crime that we have seen today, and how unfortunate it is that he chooses to claim crime mapping as a Conservative idea—

Mr. David Ruffley (Bury St. Edmunds) (Con): Of course it is.

Jacqui Smith: Actually, it is a police idea that is already being delivered in some parts of the country. It would be good if people sometimes gave credit where it was due, rather than trying to claim it for political parties.

I can give the shadow Home Secretary a guarantee that there will be one target set nationally, as we make clear in the Green Paper. The hon. Member for Bury St. Edmunds (Mr. Ruffley) claimed earlier this year that neighbourhood policing teams had somehow not been delivered. In fact, thanks to the hard work of police forces across the country and to the £1 billion of Government investment, there is now a neighbourhood policing team in every neighbourhood in the country. That has resulted in a radical transformation in policing, and today's Green Paper will enable us to take that reform to the next stage by making clear in the pledge the quality of service that people will be able to expect everywhere in England and Wales for the first time ever.

The hon. and learned Gentleman asked which elements of the pledge were new. It is new that 80 per cent. of the neighbourhood policing teams' time on duty will be spent on the patch. It is also new that they will reply to calls and e-mail inquiries within 24 hours. It is new that there will be a minimum standard to ensure that the police respond to emergencies in 15 minutes or less, that they respond to other non-emergency but nevertheless priority or vulnerable cases within 60 minutes, that they respond to other non-emergency calls with a bookable appointment within 48 hours, and that they deliver monthly public meetings for neighbourhood policing teams and the provision of crime information and crime maps. That is a serious and clear set of standards that people can expect to be delivered everywhere, and that the police will be committed to providing.

The hon. and learned Gentleman returned to the issue of the 9,000 forms. He knows, because I have written to his predecessor and to the shadow policing Minister about this, that we asked the now chief constable of Essex police, Roger Baker, to undertake that task. He has given his commitment that 9,000 forms were done away with, but the suggestion that we should go back and ask people to give the name of every single form in order to prove that we have cut bureaucracy just shows the misunderstanding among Conservative Members about how we should do this.

The shadow Home Secretary's response today has been, at best, churlish in its failure to recognise the success on which this work is based. Either he reverts to claiming the credit for proposals that the police service is driving forward, or he calls important initiatives "gimmicks". I do not believe—as he has previously claimed—that knife arches, search wands, antisocial behaviour orders and the seizing of drug dealers' assets on arrest are gimmicks. I believe that they are serious attempts by the Government and their partners in the police service to cut crime, to respond to public concerns and to deliver a police service of which this country and the world can be even more proud. I hope that we will gain the hon. and learned Gentleman's support for that.

Keith Vaz (Leicester, East) (Lab): I congratulate the Home Secretary, not only on the reduction in the crime figures but on this bold and imaginative Green Paper. She has obviously been listening in on the sittings of the Home Affairs Select Committee while we have been considering policing. These are our ideas, not the Conservatives' ideas. The fact is that good practice already exists in many parts of the country. We have seen the Staffordshire example of reducing bureaucracy, and what is being done in Moss Side to tackle gun and gang crime. Will my right hon. Friend give a pledge that she will roll out these programmes immediately, rather than waiting for any further reviews? If they constitute good practice, let us have them operating in all 42 areas. I also congratulate her on the appointment of Jan Berry, but I ask her to ensure that Jan Berry is paid in full and on time, because she knows what the consequences will be if that does not happen.

Jacqui Smith: The Home Affairs Select Committee possibly does deserve some credit—[HON. MEMBERS: "Possibly?"] Okay, I am sorry. I apologise. Unlike Conservative Members, I will not be churlish. The Home Affairs Select Committee does deserve credit, because its members have been out and about listening to what police officers and those in our communities have actually said. That is why it is putting forward those ideas. I can give my right hon. Friend the assurance that we will pilot only for as long as we need to in order to be completely confident of not whether but how we should roll out the initiatives nationally. As I said earlier, I am pleased that someone with a record of standing up for front-line police officers will now be working with us to free up those officers to do the job that they came into the service to do.

Chris Huhne (Eastleigh) (LD): I would certainly like to join the Home Secretary in praising the police and add my congratulations to them on the work that they do, and on putting their lives on the line day after day to try to make our communities safe. There was a note of self-congratulation in what the Home Secretary said, but I wonder whether she is aware that crime has been falling in every single western European country except Belgium since the 1990s. Would she consider benchmarking our performance against those of other countries, possibly excluding Belgium?

Does the Home Secretary have any comment on the puzzle—which I am sure must have detained her—of the difference between the official figures showing a fall in crime and the continued rise in the public fear of crime? Does she feel that this is an opportunity quickly, rather than slowly, to put the crime figures under an independent agency such as the Office for National Statistics, as the Government have already done in other areas? If so, when might that happen?

On policing and crime, there is general agreement in principle that there should be an emphasis on what works. However, in the past week, the Government have come up with a half-baked scheme for offender hospital visits, which has already been tried and tested in the United States, and which failed, and the Conservatives have been advocating imprisoning all knife carriers even though the evidence shows that sentence severity has a negligible effect on criminality. Surely the Home Secretary must agree that the time has come for a national crime reduction agency—a beefed-up National Policing Improvement Agency—that would act like the National Institute for Health and Clinical Excellence in the health service and attempt to establish real consensus between the parties on what works. Nothing would give the police greater support in their desire to see professionalism triumph than an end to the political bickering that we have seen here today.

We also warmly welcome the emphasis on neighbourhood policing, on local crime maps, and on local accountability. This is surely the way to improve on the figure of 53 per cent. of people who say that the police are doing a good or excellent job. That figure obviously leaves some room for improvement.

The concerns about the proposals for crime and policing representatives were not allayed by reading the details in the Green Paper. As I understand it, there would be just one representative for each council in a crime and disorder reduction partnership, directly elected, presumably by the first-past-the-post system. That would be the first such proposal that the Government had made since 1997. All the other new representatives have been elected by proportional systems. Let us take the example of my own police authority in Hampshire in the south of England, which, under the proposed system, would have two Liberal Democrats, 12 Conservatives and no Labour members whatever. Does the Home Secretary really intend to disfranchise 25 per cent. of the voters in the south of England who happen to be Labour, merely because she is going to consider only a first-past-the-post system? We know from the way in which the system works that this would also cut out ethnic minorities and women. Is that what the Home Secretary wants?

Chris Bryant (Rhondda) (Lab): Don't listen to a word of that.

Jacqui Smith: I shall not take my hon. Friend's advice, because a few of the comments made by the hon. Member for Eastleigh (Chris Huhne) were quite sensible. In particular, he rightly emphasised the importance of ensuring that we not only cut crime, but raise confidence in our ability to do so. That is why setting a target that measures local people's confidence in the ability of the police and their partners to cut crime and deal with the issues that matter locally is the appropriate way to ensure that we cut crime and clearly communicate the actions being taken—not just by the police, but more widely across the criminal justice system—to drive up confidence.

I do not accept the hon. Gentlemen's suggestion that the crime stats are not independent, but I hope that he has noted that we now issue crime stats using the new provisions for which we have legislated. The independence of the statisticians in the Home Office is now much clearer, and there is an overview from national statisticians, too. I do not accept his view that the way to tackle knife crime is to set up a new quango. We have been very clear that knife crime is a serious problem, but more so in certain areas than in others, and that we therefore need a national knife crime programme. The programme is to be led by a senior police officer, Deputy Assistant Commissioner Alf Hitchcock, and it will focus on those issues. We need to ensure increased use of stop and search, and to ensure that links are made with our schools. This week, we made it clear in the youth crime action plan that tackling knife crime starts with ensuring that parents live up to their responsibilities, too. We have to make sure that punishment is tough, and involves custody whenever a knife has been used. Where a community sentence is given, the sentence should bring home, particularly to young people, the consequences of even just carrying a knife. That is the right way to address the problem.

The hon. Gentleman will not tempt me down the route of supporting his proposal for a new system of proportional representation; that may disappoint some people on the Labour Benches—*[Interruption.]*—and please others. Let me be quite clear: the intention behind the proposals is not to safeguard one political party or another, but to make sure that local people have a direct voice on police authorities. I take seriously his point about ensuring that we maintain diversity, as regards gender and people from minority ethnic communities, on police authorities. That is one of the reasons why, in our proposals, we maintain the provision for independent members of police authorities, who make a very important contribution.

Mr. David Blunkett (Sheffield, Brightside) (Lab): May I congratulate the Home Secretary on her statement, and on the measures to empower, and ensure greater accountability for, local people, as regards the policing service? I very much welcome the further drop in crime announced today, and the appointment of Jan Berry, but will my right hon. Friend reflect on the fact that every time we decentralise decision making, in relation to targets and the collection of stats, we end up with a contradiction? Was it not the Association of Chief Police Officers that, just over seven years ago, changed the recording of crime, so that the number of crimes and events that had to be recorded rose dramatically? Since the original measures doing away with centrally demanded forms and statistics were put in place, the number of forms at local level has risen dramatically. With the help of the excellent president of ACPO, Ken Jones, will my right hon. Friend ensure that Jan Berry has the support and resources needed to ensure, at grass-roots level, that responsibility is taken with regard to doing away with unnecessary form-filling and collection, and with regard to implementing powers, legislation and enforcement, as that is often not present on the ground?

Jacqui Smith: Yes, and as we reflect on the reform and the success that is the basis for the further steps announced today, let me say that my right hon. Friend deserves considerable credit for the changes that he made to policing when he was in my role, not least as regards the development of the work force and the strong emphasis on standards, which has led to some of the results that we see today. He makes a very important point about where bureaucracy and form-filling emanate from. He is exactly right that the job for all of us, and for Jan Berry, is to continue to drive forward the reduction in bureaucracy, whether it comes from national Government, police forces or other partners, and to ensure that there is a sensible approach to driving out bureaucracy and implementing future initiatives. An important role for Jan Berry and her team is to make sure that we implement any future changes, both nationally and locally, in a way that minimises burdens and maximises the effectiveness of the police.

Mr. Michael Howard (Folkestone and Hythe) (Con): May I congratulate the Home Secretary—I pause for a moment to allow those words to sink in—on her acceptance of recommendation 24 of the Flanagan report on the stop and account form? Is she aware that I have questioned the need for that form ever since—indeed, since even before—it was introduced in November 2004? Will she give the House an estimate of the number of police hours that would have been saved, the number of knives that might have been discovered, and the number of lives that might indeed have been saved, if that unnecessary and ridiculous piece of bureaucracy had never been introduced?

Jacqui Smith: I congratulate the right hon. and learned Gentleman on his prescience in relation to the stop and account form. Unfortunately, I cannot congratulate him on his record in bringing down crime when he was Home Secretary, but I do not want to be churlish. As I think he is aware, the increased monitoring, particularly of stop and account, understandably emanated from concerns—not least those that came out of the Macpherson inquiry into Stephen Lawrence's death—about whether, and how, it was possible to ensure proportionality in the way in which the police dealt with people, whatever their background. That was an understandable reason for the development of that form, but I think—and others agree—that it now does not serve that purpose, and it is right that it be removed.

Emily Thornberry (Islington, South and Finsbury) (Lab): Ben Kinsella was a constituent of mine, and I agree with his family that the only way to stop kids carrying knives is to ensure that they know that they will be stopped, searched and punished for carrying them. I remember the sus laws well, but nevertheless I fully support the random use of stop and search on young people in Islington, because local statistics show that no group is being disproportionately targeted in Islington. Will we build on best practice, and can we have more police officers randomly to stop and search our teenagers, to make them safer?

Jacqui Smith: My hon. Friend makes a very strong point. She and I know of the dignity with which the Kinsella family have responded to a terrible tragedy, and that they are making very constructive suggestions. My hon. Friend is right, and in London we have had considerable success with Operation Blunt 2, which uses Government investment in search arches and wands to step up stop and search operations, particularly in areas where there is considerable concern about knife crime. People have been stopped, knives have been recovered, and those concerned will face the consequences of carrying knives. I want that sort of activity to continue in my hon. Friend's constituency, but I want it to happen not just in London. Through the national knife programme, I want it to be spread to other areas of the country where there are concerns about knife crime.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): Will the right hon. Lady investigate the circumstances in which serving police officers can take second jobs? May I draw her attention to a matter about which I have just written to her? She will not yet have got the letter. I represented a man in the criminal courts who was an officer in the Metropolitan police. He agreed with his superior that he would work but two days a week. For the rest of the time, he ran a very large estate agency, handling hundreds of thousands of pounds of cash. That is, by any standards, undesirable. He was convicted of fraud. First, is it right in principle that a police officer should work but two days a week? Secondly, if it is right that he should have another job, should it be that kind of job, in which he would inevitably be exposed to huge temptation, and would handle very large sums of money?

Jacqui Smith: I am sure that the right hon. and learned Gentleman does not expect me to comment on an individual case. I will, of course, respond to his letter, but it ill behoves Members of this House to comment on others having more than one job.

Ms Celia Barlow (Hove) (Lab): I congratulate the Home Secretary on both the Green Paper and the excellent statistics. The national statistics have been exceeded by those in Hove and Port Slade, where in the year until the end of June crime as a whole was down by 21.4 per cent. and violent crime down by 21.9 per cent. That is partly to do with our wonderful neighbourhood police team, with whose youth disorder operation I had the pleasure of touring my constituency a couple of weeks ago. We visited areas where large numbers of youths gather to speak to them and to see what was going on. That team's successful approach involves sending letters to parents, which could form part of the initiatives that the Home Secretary aims to pursue. Does she plan to do that, and will she visit that team?

Jacqui Smith: I join my hon. Friend in congratulating the youth disorder team that she has mentioned on the innovative way in which it is tackling youth crime in her constituency. I am sure that she noted the youth crime action plan on Tuesday, which seeks to build on such good practice. For example, we have proposed the greater use of, as she has identified, assertive youth work, which involves teams going out on the streets. Such teams sometimes involve people who were previously involved in gangs or serious violence, and they help young people whom they meet on the streets to move away from crime and violent crime. My hon. Friend is right that parents play an important role in preventing children and young people from turning to crime. The idea that parents should be told when children are picked up is important, and it is already happening in several places. We propose to take that approach forward through the youth crime action plan.

Mr. Peter Bone (Wellingborough) (Con): I want to congratulate the Home Secretary on her wise words about how useless the stop and account form is, but the statement does not make the position clear. Does she believe that the form is useless? If so, why is it not being scrapped today, rather than at some time in the future?

Jacqui Smith: I do not believe that the form is useless, but I accept Sir Ronnie Flanagan's recommendation that it should be scrapped, which is what we are working to achieve.

Chris Bryant: It is clear that several national newspapers pay police officers for information about impending arrests and ongoing investigations. That is clearly bribery and corruption, and it occurs regularly throughout the United Kingdom. I have asked several Home Secretaries about that practice—they always say that they will put a stop to it by clarifying the law on suborning a police officer, but so far none of them has done so. Is my right hon. Friend the Home Secretary who will?

Jacqui Smith: I am not sure whether I can quite give my hon. Friend that commitment today. We will, of course, have a policing and crime reduction Bill in the next Session, and perhaps he would like to raise that issue at that time, although I must say that it is not a priority in our policing plans today.

Hywel Williams (Caernarfon) (PC): The Home Secretary has rightly emphasised the virtue of local accountability. What plans does she have to develop the accountability of the police force in Wales to the National Assembly, which now provides a substantial and increasing proportion of the budget?

Jacqui Smith: No case has been made that devolving responsibility for policing to the Assembly would lead to a better service for Welsh people, which is what we all aim to achieve.

Mr. Adrian Bailey (West Bromwich, West) (Lab/Co-op): I welcome the Green Paper and join the Home Secretary in praising the police. In particular, I want to praise West Midlands police and its supporting agencies in my local authority of Sandwell, where there has been a remarkable 34 per cent. drop in crime, which is reflected in the drop in the crime-related case load at my surgeries. During the deliberations, consultations and considerations in the Green Paper process, will she address the issue of business crime, which is the one area that still seems to cause major problems?

Jacqui Smith: My hon. Friend makes an important point. Local police and their partners deserve congratulation in the west midlands. He raises the important issue of business crime, which we take seriously. Indeed, the Under-Secretary of State for the Home Department, my hon. Friend the Member for Gedling (Mr. Coaker), met the British Chambers of Commerce yesterday to discuss it.

Alistair Burt (North-East Bedfordshire) (Con): I thank the right hon. Lady for responding on the issue of targets, which will help forces in rural areas, such as my area in Bedfordshire, respond to rural crime in the way they want rather than focus on urban issues. She also mentioned a series of other measures, which sounded like a compilation from the briefings and policy points that I have received from Opposition Front Benchers over the past two years.

I want to raise a practical problem on mapping about which I have written to the Home Secretary. When Bedfordshire police provided the details about incidents around Travellers' sites to the planning committee of Bedford borough council in connection with a planning matter, the council felt that it could not publish the information, because that would contravene legislation on race relations and discrimination. Is the Home Secretary confident that her plans for mapping will be consistent with other legislation, because that issue needs to be sorted quickly, otherwise appropriate information will not be in the public domain?

Jacqui Smith: We will ensure that we respond to the hon. Gentleman's specific point. I am confident that we can find a way to deliver the primary objective, which is allowing local people to see the detail of the crime that impacts on their communities. That is my No. 1 priority, and I have no doubt that we can find a way through any legal hurdles that might be put in our way.

Albert Owen (Ynys Môn) (Lab): I welcome the Green Paper and congratulate the Home Secretary on listening to Labour Members and the police by cutting bureaucracy and freeing up the police to do their work on the streets. On strengthening the democratic link with the public, it is important that members of the police authority are accountable. Will she assure me that there will be more powers to hold chief constables and senior police officers to account, so they do not make controversial remarks that divert attention from the police's real job of catching criminals?

Jacqui Smith: There is an important responsibility on the new, stronger police authorities, which, incidentally, will be inspected from next year, to ensure that they hold to account, and play a role in the performance review of, chief officers in the way my hon. Friend outlines.

Mr. Philip Hollobone (Kettering) (Con): I invite the Home Secretary to join me on a visit to Kettering police station, where she will have the opportunity not only to thank the police for their endeavours but to see on the police station notice board the pictures, names and addresses of the 35 persistent and prolific offenders who cause the bulk of crime in and around Kettering. I am sure that the situation is the same all over the country: the police know who the criminals are; the police catch the criminals; the criminals are sentenced; but the criminals do not spend enough time off the streets in prison. Is there anything in the Green Paper that will help the police to tackle persistent and prolific offenders?

Jacqui Smith: If those persistent offenders have committed some of the most serious, violent crimes, they will on average spend longer in prison now than

[Jacqui Smith]

they would have done previously. Some of them will, of course, be subject to the kind of indefinite sentences opposed by Opposition Members. Nevertheless, the hon. Gentleman has made the important point about the need to focus on persistent offenders, which is why the persistent offender programme continues to proceed with the investment and commitment that the Government have put into it.

Ms Sally Keeble (Northampton, North) (Lab): I welcome my right hon. Friend's proposals. Will she say whether she has given any thought to the role of police community support officers, who are an important addition to the policing community? Some of my constituents would like to see them given stronger powers, in particular the power of arrest.

Jacqui Smith: The Green Paper praises and considers the important role played by PCSOs. It publishes the results of a review of PCSOs, which was carried out by the Association of Chief Police Officers. It recommends further standardisation on uniforms, makes it clear that the minimum age should be 18 and invites further comments on the extent to which there should be further standardisation of powers.

Mrs. Madeleine Moon (Bridgend) (Lab): Bridgend basic command unit, which covers my constituency and that of my hon. Friend the Member for Ogmore (Huw Irranca-Davies), has had remarkable results in many respects. Neighbourhood policing teams are running effectively, packed meetings are held regularly, burglary is down by 17 per cent., theft of cars is down by 12 per cent. and theft from cars is down by 20 per cent. However, I am concerned that, in contrast with previous years when we had a 12 per cent. fall in crimes of violence against the person, we have now had a 12 per cent. rise in such crimes, equating to 188 additional offences across the constituency. The superintendent in my constituency tells me that in 2008 only 0.2 per cent. of offences involve harm by a knife. How do I reassure people about knife crime when the number of crimes of violence against the person is rising? How can we begin to tackle that issue?

Jacqui Smith: My hon. Friend is right. We need to provide more information about what is happening and about the nature of violent crime, which covers a wide gamut of crime, including that which happens within the family as well as between strangers—50 per cent. of which involves no actual injury to somebody else, notwithstanding the fact that it is a very serious form of crime. I am strongly of the view that the provision of more local information helps to reassure people and ensures that they then, through reporting to the police and being willing to act as witnesses, feel confident of being part of the solution to solving that crime.

BILL PRESENTED

POLITICAL PARTIES AND ELECTIONS

Mr. Secretary Straw, supported by the Prime Minister, Mr. Chancellor of the Exchequer, Secretary Hazel Blears, Edward Miliband and Bridget Prentice, presented a Bill to make provision in connection with the Electoral Commission; and to make provision about political donations and expenditure and about elections: And the same was read the First time; and ordered to be read a Second time on Monday 21 July, and to be printed. Explanatory notes to be printed [Bill 141].

Freedom of Information

2.1 pm

The Leader of the House of Commons (Ms Harriet Harman): I beg to move,

That the draft Freedom of Information (Parliament and National Assembly for Wales) Order 2008, which was laid before this House on 15th July, be approved.

The House is familiar with the issues that have led to the Government bringing forward this statutory instrument. The question of the House authorities being obliged by law under the Freedom of Information Act 2000 to reveal our addresses and other security information has been raised in a number of debates that we have had in this House over the last couple of months; in comments made during the business statement; most importantly, in early-day motion 1620, tabled by the hon. Member for New Forest, East (Dr. Lewis) and signed by no fewer than 256 hon. Members; and, most recently, in the debate that we had on 3 July, in which I told the House of my intention to bring forward this order.

We have all agreed that, to do our job properly, we have to be able to speak freely in this House, without fear or favour. We must be able to say what we believe to be true about controversial issues without feeling that to do so would put us or our families at risk. If the House authorities were to be obliged by law to publish our addresses and our travel plans, we would know that a controversial speech in this House might lead to harassment at home.

This is not just about current threats but about the future. Threats could be made in respect of an individual Member at some time in the future, whether from a fixated individual or following the Member's involvement with a particular controversial issue, or threats could be made to all Members in circumstances posing new dangers that are as yet unforeseen, such as a terrorist threat focusing on Parliament. Once a Member's address is in the public domain, it cannot retrospectively be made private again without their moving home. This is also a question of the security of the public. The publication of our addresses would put at greater risk those who happened to live in the same block of flats as a number of hon. Members.

I have had the opportunity of discussions with the Chair of the Joint Committee on Security, my right hon. Friend the Member for Newcastle upon Tyne, East and Wallsend (Mr. Brown), and with the parliamentary security co-ordinator. I thank them both for their important work and their advice to me as Leader of the House on this issue. The security co-ordinator's advice is that it would be a risk to put in the public domain our addresses or anything that would lead to identification of our addresses or our travel plans. That is his expert advice, but it is also clearly common sense and, I would say, the belief of all hon. Members.

The statutory instrument restricts the scope of section 7(3) of the Freedom of Information Act 2000. It amends the schedule 1 entry relating to both Houses, and to the National Assembly for Wales, to exclude four categories of information disclosure under the Act. First, it excludes from disclosure under the Act the residential addresses of any Member, by which I mean any address registered to an hon. Member, not just addresses in respect of which there has been an additional costs allowance claim. Secondly, it excludes from disclosure under the Act information about the regular or forthcoming travel arrangements of any Member in order to prevent the profiling of travel undertaken by any hon. Member.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): The explanatory notes say:

"except as to the total amount of expenditure incurred on travel during any month".

Will that be broken down by mode of travel—mileage, train or aircraft—as it is at the moment?

Ms Harman: As the hon. Gentleman suggests, the information will be given monthly. It will not be excluded from the scope of the Act, and it will be given in the categories that he describes. The House will still be obliged to publish individual MPs' travel expenses on a monthly basis, but it will not be broken down any further than that, as further detail might risk the identification of travel patterns week by week, thereby prejudicing security.

Thirdly, the order excludes from disclosure under the Act information that would enable the identification of any person who has delivered goods or provided services to a Member at any residence belonging to the Member; again, that is because it could lead to the identification of the address. Fourthly, it excludes from disclosure under the Act information relating to expenditure by a Member on security arrangements. We do not want a list that sets out who spends on security such as burglar alarms and thus, by a process of elimination, which Members do not have any security.

Mr. Michael Ancram (Devizes) (Con): Presumably this applies only where a Member of Parliament has not in one way or another made his or her address public. During elections, we tend to put our addresses on the ballot papers. I assume that when that happens, even though we are not Members of Parliament at the time, the information is regarded as being in the public domain and these provisions would not apply to it.

Ms Harman: The statutory instrument restricts the scope of the Act, which places an obligation on the House authorities to disclose information. It does not apply to anything that an hon. Member might want to do in the future or might have done in the past. It simply provides the rules that the House authorities will have to comply with in respect of what they do. They will not have to say to themselves, "Has this particular Member put his or her address in the public domain? Yes, they have, so I'll put his or her address up on the website." They will know that it is a category of information that comes within the scope of the restrictions and that they therefore do not disclose it.

Dr. Julian Lewis (New Forest, East) (Con): I think that my right hon. and learned Friend the Member for Devizes (Mr. Ancram) has put his finger on a key issue, which I hope to address if I am fortunate enough to catch your eye, Mr. Deputy Speaker. However, I should like to press one point in any case. Just because once every four or five years we have to disclose one of our addresses on certain documents to do with elections does not mean that we should disclose them all, en masse, in an easily accessible way. When I enter one of

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my addresses—the one that I have sometimes disclosed at election times—and my name on to the Google search engine, not a single match comes up, but if we did not do what we are doing now everyone's addresses would be freely available at home and abroad.

Ms Harman: The hon. Gentleman is absolutely right, and I congratulate him on the work that he has done that led to us introducing this statutory instrument. Although the public are strongly in favour of openness and freedom of information, and want to know about public money that is spent on our residences and travel, they also understand that there are security issues and that we should approach such matters with a measure of common sense.

Should this House and the other place see fit to pass the order, it will not change the fact that the overwhelming majority of information held by the House of Commons and the House of Lords will remain subject to the Freedom of Information Act, and will be published. It is right that there should be openness about spending public money, so the House still plans to publish information on the expenses of every Member in the autumn. I commend this statutory instrument to the House.

2.10 pm

Mr. Shailesh Vara (North-West Cambridgeshire) (Con): My party supports the statutory instrument, which affects not only Members in this House, but those in another place, as well as those in the Welsh Assembly. I join the Leader of the House in complimenting my hon. Friend the Member for New Forest, East (Dr. Lewis) for all the effort that he has put into ensuring that we have reached this stage to make this change to the Freedom of Information Act.

It is important to recognise that this is a matter not of secrecy for secrecy's sake, but simply of striking a balance between greater openness and the need to ensure safety and security for both Members and their families. It is also to ensure, as the Leader of the House said, that Members can speak freely inside and outside the House, and that they can carry on with their duties without fear of harm to themselves or their families. It is worth noting that although we accept that we are public figures, that burden is not imposed on our families—they remain private citizens.

We welcome not only the statutory instrument's proposals as regards home addresses, but, as the Leader of the House said, all the measures that apply to keeping confidential future travel and information held by those who deliver services and goods to Members. The measure is clearly a logical progression and will lessen the risk to those concerned. Of course, it will not guarantee security for those concerned, but we all agree that it goes some way to ensuring greater security for parliamentarians, Assembly Members and their families. I have nothing further to add, except to reiterate my party's support for the order.

2.12 pm

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): I, too, recognise that the order implements the will of the House, as expressed without opposition during debate on relevant motions. I always have reservations about allowing security to impact too much on our legislation, and allowing security advice to restrain what we do, but the measure seems to make sense. The hon. Member for North-West Cambridgeshire (Mr. Vara) made a point about family, and the Leader of the House referred to neighbours and the duty of care to others.

The more robust the auditing system is, and the more robust the National Audit Office's inspection is, the less concern people will have that the freedom of information process is trying to hide something. I congratulate the hon. Member for New Forest, East (Dr. Lewis) on focusing on the issue. As we learnt yesterday, he is a wily individual—his ability to sell a second-hand washing machine for 18 free dinners suggests that he is quite an efficient negotiator.

With the reassurance from the Leader of the House that the global travel figures will still be broken down by mode of travel—information that people are keen to know, which does not have a security implication—and that the order does not affect that process in any way, my party will not oppose the order.

2.13 pm

Mr. Denis MacShane (Rotherham) (Lab): I welcome this order. As someone who received a credible death threat, which was sorted out by the forcible deportation of the person in question by the South Yorkshire police, I was truly astonished when I read of the Information Commissioner's ruling that all of our private addresses should be published. I can think of no better definition of a burglar's charter because many of us do not live at our addresses at weekends or during the holidays. It was even more astonishing when two Law Lords, or two lord justices, upheld his suggestion.

What happened calls into question the Freedom of Information Act. Those who want to know where we live can find out. Journalists from *The Mail on Sunday* forcibly came into my late mother's home when she was suffering from a severe stroke to try to extract some tittle-tattle about me when I was a Minister. We cannot protect ourselves against that. If people really want to know our addresses, they can be found, and they are published at the time of an election.

We need to consider the matter more widely, however, and I welcome the fact that this statutory instrument shows that the Freedom of Information Act is amendable. I regret that it has to be amended. If the Information Commissioner were competent—I cannot believe that he is about to be awarded an extra £40,000 next Monday, at a time of huge public pay restraint—we would not have had to take up the House's time with this legislation.

Let us look at the Freedom of Information Act to see how it might be amended so that it can apply to other public bodies, particularly the BBC—it extracts a large amount of obligatory tax from my constituents, even though few of them watch it—to find out about the salaries and expenses of its employees. Let it also be amended to apply to other organs of high public importance. Frankly, the press is much more important than many Departments, in terms of its actual impact on people's lives. Let the Act be amended soon to include the organs of the media, so that all of their expenses, salaries, payments and other financial arrangements can be put into the public domain.

I am a former president of the National Union of Journalists; freedom of information legislation is in my DNA. The Information Commissioner, however, is not up to the job and we need to extend the Freedom of Information Act to cover many other public bodies including the BBC and the wider media. I stop at that point, leaving other hon. Members to make their points.

2.16 pm

Dr. Julian Lewis (New Forest, East) (Con): I would like to begin by thanking the Leader of the House and all of her staff for the extremely positive way in which they have reacted to the concerns, initially expressed by me and then by hundreds of other right hon. and hon. Members, about the situation we were in danger of getting into. I say with the greatest sincerity that I only hope that the stance that she took did not contribute to the fact that her home has been invaded twice—by people who no doubt feel in the depths of their being that the cause they propose was justification for their actions. Nevertheless, such things are precisely what should not be allowed to happen. She has excelled in her office in the work that she has done and in the way in which she has spoken out in defence of Members' rights and interests on this matter.

I would like to thank the 98 Members of my party, the 111 Members of the Labour party and the 31 Members of the Liberal Democrat party who supported early-day motion 1620. I would also like to thank the several Ministers who told me that they could not sign the EDM because of the posts that they held, but who nevertheless wrote to Mr. Speaker explaining why they supported the principle of the motion.

I know that we are waiting for an important debate on intelligence and security, so I shall not detain the House for long. This, however, is a debate on a related subject. It is a debate about security, but on an issue where not very much intelligence has been shown by a certain number of people from whom we thought we could have expected it. I exclude, however, the Information Commissioner from that criticism. I say that because I had laboured under the mistaken impression that he wanted our individual addresses to be disclosed, but as he later pointed out to me, he had not ordered that. After an appeal, that requirement was added by the information appeal tribunal and upheld by the High Court in a subsequent hearing. The guilty men, as it were, were those two latter bodies. It was not the Information Commissioner. In fact, he proceeded to enter the lion's den and, at short notice, 50 to 60 hon. Members of all parties came to meet him and his team. I think that even he was quite shaken by the stories that they told him about their experiences when their constituency addresses had been exposed. Indeed, some honourable Ladies were in tears at that meeting and the Information Commissioner and his team were shaken by what they heard.

Mr. Peter Kilfoyle (Liverpool, Walton) (Lab): I thank the hon. Gentleman for his work. I was one of those who attended the meeting with the Information Commissioner and, like him, I witnessed the genuine concerns that were expressed. Does he ever speculate on whether those venerable High Court judges who made the decision would publish their private addresses if the occasion demanded?

Dr. Lewis: I have not only speculated on the matter but put it to the test. After one of the earlier debates on the subject, I took the liberty of sending the relevant *Hansard* to each of the three judges, who had, in their wisdom, determined that our addresses should be published en masse. I asked whether I could have their home addresses for future correspondence. Every one politely but firmly declined.

There is a postscript. One—the right honourable Sir Igor Judge—was subsequently appointed Lord Chief Justice and I asked, on what some might consider a bogus point of order, whether it was possible within the rules to send him our congratulations, and express how happy we were as a House that one silly mistake had not spoiled his promising professional career. I duly sent the *Hansard* to the royal courts of justice, but I have not yet received a reply and I can only regret that, if I had gone to the trouble of finding his home address, I might have discovered whether he saw the joke.

There is an incredible lack of self-awareness in the wider debate. I hope that the House will indulge me while I quote from a short letter, which was published in my local paper, the *Southern Daily Echo*, on Monday 9 June. It is headed: "Why is MP secretive?" It reads:

> "Why has Julian Lewis, MP for New Forest, East, attacked the decision to disclose details of MPs' homes?
>
> He has access to our home details through the nation census and other government data. The freedom of information process was brought in by the government, so he should respect it."

At the bottom of the letter, a little note states that not only the writer's address, but his name has been withheld.

David Taylor (North-West Leicestershire) (Lab/Co-op): I note the hon. Gentleman's early-day motion 1620 and I was not one of the 256 Members who signed it. Does not he think that he is going a little over the top? Although the correspondent to whom he referred requested anonymity for some reason, he has a point. People have a right to know that Members of Parliament live in their constituency. Like many Members, I am in the phone book and I welcome constituents who turn up at my address, if they wish to do that. The information on the ballot paper for a general election every four or five years can include a bogus address. Candidates—of all parties—can simply rent a flat in the constituency and visit it once a month from their real home 100 miles away. Why do not people have the right to know?

Dr. Lewis: I am sure that the hon. Gentleman had many important things to do at the time, but if he had attended some of the earlier debates, he would have heard me address those points in detail. It is not fair to the House for me to go over them again now. Let me put it in a nutshell. First, anyone who wishes to disclose a home address and put it in the phone book can do so—it is a matter for him or her. However, if the decision had been implemented, 646 private home addresses would be made available to anybody—including any troublemaker at home or abroad—who wished to send something through the post to 646 unprotected mail boxes. If there is any sense in our having the expensive and complex screening arrangements at the House of Commons to ensure that nothing horrible, explosive or contaminated is sent through the post en masse to Members of Parliament, who are probably being targeted not individually but as a body, it is obvious madness to

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reveal the 646 home addresses. I could make many other points, but I shall leave it at that and refer the hon. Gentleman to my previous speeches on the subject.

My right hon. and learned Friend the Member for Devizes (Mr. Ancram) typically put his finger on the heart of the problem when he referred to data that are published at election time. We have to include a home address on specific documents every time we stand for election. I have already said in an intervention that, just because we have to reveal some addresses occasionally, it should not be regarded as an excuse for revealing them all, en masse, all the time in a way that makes them accessible at home or abroad at the touch of a button. Nevertheless, that bogus argument—that the cat is already out of the bag—led the judges and the appeal tribunal wrongly to conclude that there was no point in refusing the request for addresses en masse.

It is important to close that loophole and I would welcome a response from Government Front Benchers on that. I believe that the idea that people had to publish a private home address—even if it has not found its way on to the internet—at election time predated the time when one could put the name of one's party on the ballot paper. The requirement is archaic and an unnecessary infringement of individuals' rights. If people want to stand for public office, I do not understand why they must disclose their home address. The Information Commissioner has a wise ruling, which is that, in almost all circumstances, he would at most recommend disclosure of only the first three digits or letters of the person's postcode. The Government should take the opportunity—I am not sure whether the Political Parties, Elections and Referendums Act 2000 is the relevant vehicle—to close the loophole, because it was seized upon. Without that, we would not have to go to such lengths.

I want to consider anonymous registration. In the past, it was possible to give a nom de plume if one felt that one was at risk and wished to be on the electoral register under another name. The rule has changed and someone who wishes to be on the electoral register anonymously must have the signature of a police chief constable, that of a director of the Security Service or that of a director of social services. We need to reconsider that to make it clear to chief constables that, when a Member of Parliament wants to be on that list, that is all that is necessary for anonymous registration.

I will conclude, much to the satisfaction of my Whip, who has been making noises offstage. I hope that anybody present today who believes that I am wrong will divide the House. I do not think that it will happen, but I hope that it will because *The Sunday Telegraph*, whose reporter was responsible for this mess in the first place, found plenty of space to attack me and suggest that my party opposed what I was doing. However, it found no space other than for two sentences of a letter that I wrote in reply to try to explain that the House had already resolved to take action, without a vote. I wish that there could be a vote so that even the idiot scribblers on *The Sunday Telegraph* could understand that our action has nothing to do with expenses and everything to do with security.

Question put and agreed to.

Resolved,

That the draft Freedom of Information (Parliament and National Assembly for Wales) Order 2008, which was laid before this House on 15th July, be approved.

Intelligence and Security Committee

2.30 pm

The Secretary of State for the Home Department (Jacqui Smith): I beg to move,

> That this House has considered the matter of the Annual Report of the Intelligence and Security Committee for 2006-07, Cm 7299, and the Government response, Cm 7300.

Mr. Deputy Speaker (Sir Alan Haselhurst): I must inform the House that Mr. Speaker has selected amendment (a), in the name of the hon. Member for Thurrock (Andrew Mackinlay), and amendment (b), in the name of the hon. Member for Walsall, North (Mr. Winnick), to the second motion.

Jacqui Smith: The protection and preservation of national security are the first and foremost responsibility of any Government, and the House will need no reminding of the grave threats that we currently face. In combating terrorists and other threats, we are extremely well served by our security and intelligence agencies, which do an outstanding job in difficult and often dangerous circumstances. I am sure that the House would wish to join me in thanking them for their unstinting efforts to preserve the security of the nation and its citizens.

The agencies have vital roles in supporting the Government's national security policies, and the Government therefore has a duty to ensure that they have the resources necessary to do so. As my right hon. Friend the Chancellor announced in the House last October, spending dedicated to counter-terrorism and intelligence across government will rise to more than £3.5 billion by 2010-11—a clear indication of the Government's commitment to national security and their strong determination to counter threats from international terrorism.

The activities of the agencies are governed by a body of legislation, and ministerial engagement in itself provides Executive oversight. Legislation also provides for judicial oversight of the agencies by commissioners who report annually to the Prime Minister on their work and whose reports are laid before Parliament. However, in addition to ministerial and judicial oversight, it is essential that Parliament and, through Parliament, the wider public can be assured that the security and intelligence agencies are fulfilling their lawful duties efficiently and effectively. That is the role of the Intelligence and Security Committee—the ISC.

Mr. Peter Kilfoyle (Liverpool, Walton) (Lab): I think that I am the only Member in the House who sat on the Committee that, in the early 1990s, considered the Bill that set up the Intelligence and Security Committee. It struck me then that the Committee was a poodle of the Prime Minister of the day, and it remains a poodle of the Prime Minister of the day. If it is to be truly accountable to the House, should not its position be regularised in some way? Should not it be a Select Committee of the House, rather than a creature of the Prime Minister?

Jacqui Smith: As I will argue, the experience of the Committee's operations has in no way suggested that it is a poodle. Although I do not agree that my hon. Friend's argument is wholly correct, I am nevertheless going to identify where we can improve the Committee's transparency and accountability.

I am pleased to have this opportunity to invite the House to consider the ISC's annual report for 2006-07 under the first of the motions in my name. In doing that, I want to place on record my thanks to the Committee for its valuable work, which its members undertake with commitment and distinction. They carry a heavy weight of responsibility, and they and other hon. Members should be in no doubt that the Government take the Committee's conclusions and recommendations very seriously.

Andrew Mackinlay (Thurrock) (Lab): Will the Home Secretary explicitly address the issues raised on pages 1 and 5 of the Government's response? On page 1, the Committee complains that its work has been hampered—its words, not mine—by

> "government departments failing to keep the Committee formally informed of changes relevant to its work."

On page 5, it says:

> "It is now over *** years since the Intelligence and Security Committee first requested access to the relevant information",

but notes that the Government still declined to provide it. What sort of transparency is that? What confidence can we in the House of Commons have when the Government fail to answer even this hand-picked Committee when it makes representations to them? Will the Home Secretary address those two points, please?

Jacqui Smith: My hon. Friend will know that we made it clear in our response that where information should be provided to the Committee, all Departments have a responsibility to make sure that it is provided in a timely way. There have been only a small number of occasions—this relates to the second recommendation that he identified—on which the decision has been taken not to make certain information available to the Committee, and he refers to one of those.

I do not propose to dwell at length on the recommendations, not least because, as we have heard, the Government have already published their response. Hon. Members will have seen that the Government welcome and widely endorse the Committee's views. Where the need for further action has been identified, this has been taken forward. The ISC notes, for example, that the increased funding for the agencies over the next three years is commensurate with the increased threats that the UK faces and the requirements of the agencies to counter them.

However, the Committee also expresses concern that aspects of key intelligence and security work are suffering as a consequence of the focus on counter-terrorism priorities. I would like to take this opportunity to reassure the House that both the Government and the agencies remain very focused on the range of threats to the UK. Although the increase in agency funding was driven largely by the need to respond to the terrorist threat, we continue to resource capabilities to counter other threats effectively. Moreover, capabilities developed to counter terrorism can often be deployed against other targets, and technological advances have led to newer, smarter and more flexible ways of working, which have enhanced our ability to respond to these or any other sudden, unexpected threats.

Mr. Dominic Grieve (Beaconsfield) (Con): Obviously, the amount of detail in the report is, of necessity, limited. However, there is at least some indication that anxiety has been expressed about the possibility that the

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proper emphasis on the counter-terrorism work that is taking place might be undermining some of the work that needs to be done on counter-espionage. To what extent can the Home Secretary provide the House with reassurance that that issue is being addressed, if, in fact, more resources are needed by the Security Service or the Secret Intelligence Service, whose budget has gone up very much less than that of the Security Service?

Jacqui Smith: I hope that the hon. and learned Gentleman will recognise that it was to provide that reassurance that I identified the concern in the report, and the view of the Government and the agencies, that the considerable increase in resources, while directed at supporting the counter-terror effort, nevertheless enables the agencies to build capability and flexibility. That means that although the amount of resource spent on, for example, counter-espionage is perhaps proportionally less, we can nevertheless be reassured—because counter-espionage work will be able to make use of the capability and resources that have been put in, particularly with respect to the Security Service—that those risks are being covered.

Mr. Michael Mates (East Hampshire) (Con): Just to be quite clear, is the Home Secretary saying that the security services are not still worried that they are unable to put as much resource as they would wish into counter-espionage, because I am sure that she has been advised to the contrary?

Jacqui Smith: The right hon. Gentleman is right to the extent that the Committee highlights the difficult decisions that need to be made about priorities. However, I am reassured that the sorts of decisions being made about the investment of those resources are being made explicitly with the intention of ensuring that that extra resource—not only human resource, but resource in terms of capability and functions—will enable the flexibility to shift between priorities, if and when that becomes necessary.

The ISC's reports are produced in accordance with the Committee's remit, as set out in the Intelligence Services Act 1994, which is to examine the agencies' expenditure, administration and policy. The Committee's remit is therefore identical to those of departmental Select Committees, but it was established under different arrangements, as we have heard, because of the unique and sensitive nature of its work. Those arrangements were carefully constructed to balance effective oversight of the agencies with the overriding need to preserve national security.

Mr. David Winnick (Walsall, North) (Lab): I am grateful to my right hon. Friend for giving way, and if I catch your eye, Mr. Deputy Speaker, I shall certainly praise the work undertaken by MI5 and other security agencies. Does she agree that the allegation, which has been denied, that a British citizen was tortured in Pakistan and that British security not only was aware of that, but interrogated that British national while they were held by the Pakistani security authorities, is a very serious one? Would that not be a useful matter for the Committee to investigate, so that if the allegation is false, it can be cleared up once and for all?

Jacqui Smith: With respect to the latter part of my hon. Friend's intervention, I am sure that the Chairman of the Committee is better placed to respond than I am. Let us remember, however, that there has been a categorical denial of the allegation that my hon. Friend mentioned. This country and its intelligence and security agencies abhor torture and neither condone nor support the ability of others to carry it out.

The ISC's remit often requires it to have access to highly classified information, which, if disclosed in public, would be gravely damaging to the national interest and could put individuals at risk. The ISC therefore operates in a ring of secrecy, with a legislative regime governing appointments to the Committee and the disclosure of information. Those arrangements have led to some commentators to argue—we have heard this today, too—that the ISC is insufficiently independent. As I suggested earlier, I am sure that such charges are viewed with justifiable indignation by ISC members past and present, all Members of one House or the other. I pay tribute to all who serve or have served on the Committee for their professionalism and, speaking as someone who has appeared before them, for their spirited independence, too.

Andrew Mackinlay: My right hon. Friend cannot get away with this. Whatever we might say in this place, it is no reflection on our colleagues; the important point is the principle of the thing. Just yesterday evening, Lord Campbell-Savours approached me about that specific point. When he was a member of the Committee, he challenged, both inside and outside, the nature of its selection. He says that it is flawed, and I believe that that is the view of some of those in the Chamber this afternoon who serve on the Committee. They think that the method of selection is wrong—in many respects it is an embarrassment—and they agree that the ISC should become a parliamentary Committee. My right hon. Friend should not try to divide us on this.

Jacqui Smith: Heaven forbid that I might suggest that my hon. Friend would ever be divided from any of his colleagues. I am coming on to the reform of the selection of the members of the Committee, which forms part of the function of the motions standing in my name. "The Governance of Britain", which my right hon. Friend the Prime Minister launched last year, provided a new context in which to consider whether parliamentary oversight arrangements could be made more accountable and transparent. The Government concluded that significant improvements could be made and set out specific proposals in the White Paper published in March this year; the second motion standing in my name invites the House to endorse them. The aim is to bring arrangements governing the ISC and its operation as closely as possible into line with those governing departmental Select Committees.

For the reasons of national security that I have mentioned, a legislative framework is essential. The White Paper describes changes that will achieve the aim within the existing legislative framework and which can be implemented immediately. The Government have not ruled out the possibility of legislative change in the future, but believe that the package of measures outlined in the White Paper will significantly increase the Committee's transparency and accountability to Parliament.

Richard Ottaway (Croydon, South) (Con): The Home Secretary says that she has not ruled out statutory reform. When the Green Paper was published, the Prime Minister said in his statement that he thought that the Committee should have a strengthened capacity for investigations. That cannot be achieved without statutory reform. The Home Secretary's language rather suggests that that commitment is fading. Will she clarify the position one way or the other?

Jacqui Smith: I was just coming on to the point that we can more quickly ensure that there is the sort of investigative resource that the Committee, of which the hon. Gentleman is a member, is keen to have in place so that it can carry out its role. I do not believe that increasing that investigative capability does involve legislation. I think that we can do it more quickly than if we needed to legislate. Let me describe the proposals in greater detail.

Mr. Kilfoyle: I have a very simple question. If American intelligence agencies can be called before congressional committees, why cannot a Committee of this House hold our agencies to account in the same way? I simply do not understand why that cannot happen.

Jacqui Smith: I am coming on to deal first with membership, secondly with how to make the Committee closer in nature to departmental Select Committees and thirdly with how we can perhaps open up the Committee to public sessions.

Mr. George Howarth (Knowsley, North and Sefton, East) (Lab): Will my right hon. Friend confirm that the oversight arrangements in Congress are very different from those of the Intelligence and Security Committee and that, in particular, the congressional bodies are not given access to anything like the level of information that our ISC is?

Jacqui Smith: My right hon. Friend, who speaks from experience, refers to the very important balance that we have to achieve. In my view, it is fundamental to the Committee's role that it has the fullest possible access to classified material in order properly to carry out its functions. That, in itself, creates a constraint on the extent of the openness that is appropriate. It is a careful balance that we wrestle with whenever we consider the nature and reform of the Committee.

Let me explain in greater detail how we propose to move towards greater transparency and accountability. First, on the appointment of ISC members, the Intelligence Services Act 1994 contains the explicit provision that ISC members are to be appointed by the Prime Minister in consultation with the Leader of the Opposition. It is the Prime Minister who is ultimately responsible for national security matters, so he is accountable for them to the House. It is therefore right that he should retain the ultimate say over who is admitted to that inner ring of secrecy. Within that framework, however, there is scope for giving a much greater role to Parliament. The White Paper proposed adopting a process similar to that for Joint Select Committee appointments. Following that model, the Government propose that future nominations for membership of the ISC should be put before the House by the Committee of Selection. Members will then have the opportunity to vote on the nominations that will be put to the Prime Minister for appointment. This model will ensure the full participation of Parliament in a transparent appointment process. It requires a new Standing Order of the House, which is the subject of the third motion in my name. The Government will seek to put comparable arrangements in place for Lords ISC members.

Further measures will assist members of the ISC in fulfilling their statutory duties and add further emphasis to their independence. With the Committee, we will explore how some hearings might be structured to allow unclassified evidence to be heard in open session, as is generally the case with most Select Committees. Given the nature of most of the evidence that the Committee hears, evidence sessions have hitherto been conducted in private. That was, and on most occasions will remain, a prudent requirement for the protection of national security. The Government believe, however, that the public would welcome the opportunity to understand better how the Committee works. There could be no better way than to see it in action.

We and the Committee will therefore look for opportunities when the subject matter would allow Ministers or agency heads—the chair of the Secret Intelligence Service, the director-general of the Security Service and the director of GCHQ—personally to give evidence in public briefing sessions.

Mr. Grieve: Perhaps I have interrupted the Home Secretary in mid-flow and prematurely. I am supportive of the Government's approach, as I will make clear in my remarks, but is there not a danger that if such public hearings are to take place, they will have to have a bit of meat in them? Otherwise, an impression will be conveyed to the public that the hearings are merely a rehearsal in front of the public—a show without substance. Although I will not object to the proposal, I have an anxiety that that might be the consequence, in which case people might end up more dissatisfied than they are at present.

Jacqui Smith: The hon. and learned Gentleman rightly identifies the risk and the challenge. Of course we must not put national security or the safety of individuals at risk, but we must also find a way of allowing for genuine and substantive public examination of the issues. Within those constraints, the Government would welcome such a move towards greater transparency.

To return to the point made earlier, we will also explore how we might provide the Committee with additional support to enhance its abilities to conduct investigations. The ISC has employed its own investigator in the past, and the Government and Committee will draw on that previous experience to consider resources for future appointments and appropriate terms of reference. We will also explore how we might reinforce the ISC's independence by finding alternative secure accommodation outside the offices of the Cabinet secretariat. There should be no suggestion that the current co-location in any way compromises the Committee's independence. In the interests of transparency, however, a move would be preferable, and we are already exploring such options.

Mr. Michael Ancram (Devizes) (Con): As the Home Secretary knows, most if not all members of the Committee agree with the recommendations that she is making. There is a concern, however, that we will be asked to do

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certain things, but not be provided with the financial resources to enable us to do them properly. Will she assure the House that that will not be the case?

Jacqui Smith: The Committee and its secretariat have rightly been in discussions with the Cabinet Office about ensuring that such resources are in place. Although all areas of government rightly face constraints, I hope to reassure the Committee that we recognise the resource implications of both the move and, for example, the investigators, and that those requirements will be met.

One further issue has led some to question the independence of the ISC. As specified in the Intelligence Services Act 1994, its reports are submitted directly to the Prime Minister, whereas Select Committees report to the House. The Government do not propose a change to that arrangement. The ISC must have the ability, as my right hon. Friend the Member for Knowsley, North and Sefton, East (Mr. Howarth) said, to draw on its access to information of the highest classification when compiling its reports. But that means that its reports, too, contain highly classified information. Therefore, it is essential that the Prime Minister, as the ultimate guardian of national security, is the first to see the Committee's reports in their entirety. Subsequently, of course, a version of each report is prepared for publication and laid before the House. That version contains visible redactions, ~~but~~ only when publication would be damaging to national security. However, we believe that there is scope for further enhancing the independence of the ISC by ensuring that its Chairman opens debates on its reports in the House in future rather than a Government Minister.

Although I have thoroughly enjoyed my experience of opening the debate today, I am pleased that in future that role will—rightly, in my view—be played by the Chair of the ISC herself. Again, that will bring ISC practice more into line with debates on Select Committee reports. In addition, the Government propose that there should be a new opportunity for debates on ISC reports in the House of Lords, opened by an appropriate ISC member.

The Intelligence and Security Committee fulfils a vital role for Parliament and the wider public. That is evident from the report that the House is considering today. "The Governance of Britain" consultation outlined two aims for enhancing that role: increased transparency and greater accountability to Parliament. We believe that the proposals in the White Paper achieve those aims and they are reflected in the motions, which I commend to the House.

2.56 pm

Mr. Dominic Grieve (Beaconsfield) (Con): I thank the Home Secretary for her presentation of the Government's position and for opening the debate on the report. It gives me great pleasure on a day when we have crossed swords across the Dispatch Box to have the opportunity to agree with a large part of everything that she has said.

The report's position and the debate that we need to have this afternoon raise difficult issues. I have considerable sympathy with some of the things that the hon. Member for Thurrock (Andrew Mackinlay) is trying to achieve. There is no doubt in my mind that the position from the point of view of this House on the role of the Intelligence and Security Committee is by its very nature rather unsatisfactory.

We have been given the opportunity to send some of our Members into the inner circles of intelligence to be provided with information. That might be of use to the Prime Minister, but it is fair to say, and this is not a criticism of the Committee or the Government, that when one comes to read an annual report such as this—the criticism might apply rather less to some of the more specific reports that are produced—it is a very anodyne document. The meat of what we would want to consider is largely absent and redacted out, affecting our ability to have a sensible debate on the Floor of the House. The issues about whether we are getting value for money from the agencies and whether the agencies are focusing on the issues that should be of primary concern to our country are largely impossible to address. I accept that, and I suspect that the Home Secretary accepts it, too. That is not to say that setting up the ISC was a bad idea nor to suggest that we cannot find valuable things in its work.

Before I turn to the structures, I intend to attempt to focus a little on what the report actually says. It seems to me that unless we focus a little on some of the points, we might not be able to get clarity on the direction we ought to be travelling in as we try to improve the Committee's work and its methods of reporting. Let me turn briefly to what the report contains. The first thing that has become very striking—the Government will have to keep this in mind in the future as regards transparency—is that the agencies are costing more and more money. Within three years, as I understand it, £2.147 billion of public funds will be spent on the agencies' work. I think I am right in saying that that is more than the budget of the Foreign and Commonwealth Office. What was originally a small area of Government expenditure is increasingly becoming a major area of expenditure or, at least, sufficiently large to focus Parliament's mind on the financial issues. That is particularly the case when one makes the link to the fact that what was previously regarded as work on counter-espionage now has work on counter-terrorism as its primary function and is, thus, a very live issue for this House and the public.

I must say to the Home Secretary that there must be a question mark over whether further information could not reasonably be supplied to Members of Parliament. For example, paragraph 15 of the report provides us with the total breakdown of resources and capital for the entire intelligence agencies, but, for reasons that I understand, we are denied a breakdown between the services. There is an unsatisfactory element to this. Elsewhere in the report we can ascertain that, in terms of the rise in the number of personnel, the Security Service has benefited a lot in comparison with the Secret Intelligence Service, yet we know that much of the work on counter-terrorism that must be done to protect our country is being done abroad—indeed, that is hinted at elsewhere in the report. I am sure that the Home Secretary will appreciate that if it were possible for the House to be given further information about how the budget breaks down, we would find that immeasurably useful in playing our role as the scrutineers of public finances. I am, however, mindful of the difficulty that the Government have on the topic.

Mr. Mates: My hon. and learned Friend will know that when the Committee started, no figures were published. We are pushing away at this door and making some progress. I want to reassure him that we will continue to push at this door, because I agree that the more we can put into the public domain, the better. However there are restraints: if we were to publish the breakdowns, we would show where the shoe was pinching and we do not, and should not, want those who are not friendly towards us to know that.

Mr. Grieve: I am grateful for my right hon. Friend's comments, and I have no difficulty in agreeing with everything that he said. Our enemies would be interested in knowing where the shoe is pinching, but, equally so would Parliament, because it might conclude that more funds should be made available or that the way in which the funds are prioritised does not provide the best value for money. Such a debate would, in an ideal world, be of interest to the Government, because history shows that when Governments are taken to task and held to account—politely, I would hope—in such matters, it often leads to improvements, whereas if such matters remain concealed within the Departments concerned, it makes life rather more difficult.

I am mindful that we are very reliant on my right hon. Friend and the other members of the Committee, both those who are present today and those who are not, for their good sense in bringing to bear what pressure they can on the Government on these matters. Equally, it is right to point out that the Committee's members do not have, as an ordinary Select Committee has, the force of the House behind them in making those representations. We cannot simply ignore those issues.

Mr. George Howarth: It may help the hon. and learned Gentleman if I were to tell him that the Committee does play a role in examining the value-for-money aspect of the agencies. We are advised by the National Audit Office on the issues of concern that we should pursue. For some of our sittings in any given year, we take on a role that is, in many ways, not dissimilar to that of the Public Accounts Committee.

Mr. Grieve: I am very much aware of that, and I am grateful to the right hon. Gentleman for the work that is being done. I simply say that there remains a blank sheet of paper in respect of the House's ability to make such an assessment.

I shall give an example of how it might be possible to revisit matters. We know that regionalisation policy in respect of the Security Service has been very successful. The Government say so and the Committee says so, and I have no reason to doubt that. However, we still have not been told where the regional centres are. I should say that I am satisfied that I know exactly where the regional centres are—and I have not been given leaked information—because the information is in the public domain, although kept out of the report. A sensible trawl of some of the information that is not being made public might reveal that much of it is easily accessible to anyone who wishes to discover it. That might enable a little more to be said publicly than is said at the moment.

One of the issues that I want to see greater debate on is the respective roles of the Secret Intelligence Service and the Serious Organised Crime Agency. The report says that increasingly it might be possible to place greater reliance on the SOCA in counter-insurgency work, especially because of its involvement in counter-narcotics work. The point is also made that the Secret Intelligence Service has an important role in that and that some aspects of that have to be maintained as a priority, partly because of the work it does with our international partners. That is a fertile area for debate. SOCA is a legitimate subject for debate in the House, and indeed some anxieties have been expressed about whether it is functioning correctly. It will certainly be difficult for us to have any sensible discussion about an area that concerns crime prevention as much as it does national security unless further information can, from time to time, be provided that fleshes out the subject. It is only hinted at in the report.

The report also says quite a lot about financial and resilience issues, and about GCHQ and the flooding that took place in Gloucestershire last year. It remains deliciously opaque whether the problem is with the disruption of personnel going to work or whether we have invested a large amount of money on a building located on a floodplain. That is a relevant consideration in view of the amount of money that we have sunk into it. I hope that we may have some further clarity on that.

I do not want to labour these points too much, but I have serious anxieties about what emerges from the report—and what is not said—about the SCOPE programme. SCOPE 1, which is a major piece of Government investment in providing the software to enable the rapid exchange of information between different agencies, has apparently been successfully carried out. The report tells us that SCOPE 2 has been held up. In the last couple of days, *The Guardian* has told us that, in fact, SCOPE 2 has been shelved, but the Committee's report tells us that it is an important project to enable information sharing. Given the Government's record on IT projects—although to be kind to the Home Secretary, I could say the same about every Government's track record on handling IT projects—that should be an issue of major concern to the House. I wonder whether the Minister who will respond to the debate can give us more information on that point without breaching security, because there is a clear difference between those two reports. Given the importance of SCOPE 2 in the context of the Government's overall strategy to make information readily exchangeable between agencies, it would be useful if we could have more information.

I have conducted a quick trot around what is a dense report—I shall try to read it in greater detail to conjure up what might be hiding behind the asterisks—but I wish to turn to the issues on which we shall vote this afternoon. I entirely welcome the Government's concessions as set out in the White Paper, "The Governance of Britain". We will support them: they are welcome and, although they do not go far enough to meet the very understandable anxieties of the hon. Member for Thurrock, I am sure that he would be the first to accept that they go somewhere in the right direction.

Andrew Mackinlay: I think that they are a charade. Many hon. Members think that they amount to a major change, but no such change can be made until the next general election. An undisclosed codicil to the St. Andrews agreement means that the Democratic Unionist party could get a seat. If that happens, Plaid Cymru and the

[Andrew Mackinlay]

Scottish Nationalist party are also entitled to one. The Government have to bring primary legislation to the House before they can make any of the proposed changes. That is the truth, and the House needs to know it. I think that it is section 10 of the Intelligence Services Act 1994 that limits the Committee's membership to nine. Moreover, the fact that the Committee contains only one Member of the House of Lords makes it difficult for the Home Secretary to find appropriate representation for the other place.

Mr. Deputy Speaker (Sir Michael Lord): Order. The hon. Gentleman will have no need to catch my eye later, I think.

Andrew Mackinlay: Sorry about that!

Mr. Grieve: Perhaps I can reassure the hon. Gentleman. I certainly was not suggesting that these are major changes, and he is right that some of them are more statements of intent. However, to the extent that a statement of intent is better than nothing, I suppose that there might be a meeting of minds between us that the Government seem to be taking a step in the right direction. I am a great believer that such matters have their own dynamic. Once one starts freeing the logjam and accepting that the way in which a Committee operates is going to change, at least at some time in the future—and we will definitely keep pressure on the Government to honour their commitments in that respect—it is likely to follow of itself that those changes will generate pressure to bring about more change. The direction must be towards openness, and the Government would have to come up with some very good reasons indeed if they were not to ensure that.

I shall listen very carefully to what the hon. Member for Thurrock has to say, but we take a rather pragmatic view. One difficulty that we share is that we are not privy to all the information on which a decision about whether his idea is a good one will be based. That may seem obvious, but it is the truth. We are sympathetic to what he is trying to achieve but we are not in a position to say to the Government that the problems that are identified with his proposals are not real.

To an extent, we are guided by what members of the Committee say, although I am always conscious that there is a danger of them going native and ceasing to be the upholders of the interests of the House. When that happens, it is because they are lured magnetically into a world where the fact that rooms and secret information are made available to them gently and subtly affects their judgment. They are grateful for being made privy to matters that are not available to other people. That said, I would not in anyway wish it to be suggested that members of the Committee do not do a very valuable job—indeed, the very reverse: I have a very high opinion of their work.

Mr. Ancram: I obviously hope that my hon. and learned Friend will one day be Home Secretary, but does he think that the danger that he has suggested applies to us will apply to him?

Mr. Grieve: I think that it almost certainly will. That is one of the inherent tensions in the different roles that one plays in Government and in the House. We cannot escape that, and it is wiser for the House to accept it openly and to tease out the consequences. The risk that I have described exists but we are fortunate that, over the time that the Committee has been operating, its reports and approach have consistently commanded widespread respect throughout the House. I am very grateful to my right hon. and learned Friend for the work that is being done, and I am sure that everyone else is too.

As I said, I shall listen to the hon. Member for Thurrock with great care but, for the reasons that I have set out, it seems to me that the points raised by the Home Secretary have some force. The danger that I foresee can happen very easily, even with Select Committees, and the danger is that if we start putting in place structures because the agencies involved no longer have confidence that the Committee is working in a way that will not adversely affect their operational capacity, the result will be that the information will start to dry up. At that point, we have the problem that the Committee can no longer do its work as well as it may be doing it at present.

There is a dilemma here and I do not pretend to be able to resolve it, but I am grateful for the opportunity that we have had this afternoon to debate these matters.

Richard Ottaway: This may be a slightly unfair question, given that my hon. and learned Friend has only been in his job for a couple of weeks. The Home Secretary said that she did not rule out statutory reform in the future. Is that still his position? What is his approach to statutory reform?

Mr. Grieve: I probably failed to make that clear. We would, in government, look to see whether statutory reform could be introduced. Indeed, I go further: we would look to the issues that have been raised by the hon. Member for Thurrock to see whether they can be properly implemented, and whether we can create a Select Committee on much more traditional Select Committee lines. That is our view. But as I said, I do not have the information at present on which I could make such a decision. All I can say to the House is that that is an undertaking that I am quite happy to give.

Mr. Simon Burns (West Chelmsford) (Con): On a point of order, Mr. Deputy Speaker. May I seek your advice? As I understand it, the Foreign Secretary is winding up the debate. We have now had the opening speeches by the Home Secretary and by my hon. and learned Friend the Member for Beaconsfield (Mr. Grieve), and presumably whoever winds up the debate will be winding up on the basis of what they have heard in the debate, so I was wondering whether the Foreign Secretary is actually going to pop into the debate during the unrolling of the contributions by Members.

Jacqui Smith: Further to that point of order, Mr. Deputy Speaker. The Foreign Secretary has been inadvertently detained. I, of course, will ensure that the Foreign Secretary understands all the very apposite points that have been made so far in the debate, and I understand that he is on his way.

Mr. Deputy Speaker: Clearly, the most satisfactory situation is one in which the Minister winding up has heard the proceedings during the debate. It is not a matter for the Chair to decide which Ministers respond to debates, but the whole House will have heard the points, and also the points that the Home Secretary has put on the record.

3.17 pm

Margaret Beckett (Derby, South) (Lab): I have had the privilege of chairing the Intelligence and Security Committee only since January this year, but I would like at once to record my own thanks, and that of all my Committee colleagues, I believe, to my predecessor, my right hon. Friend the Member for Torfaen (Mr. Murphy), who is now Secretary of State for Wales, for his excellent leadership of the Committee from July 2005 to January 2008.

The Committee's annual report focuses on its statutory role of examining the administration, policy and expenditure of the three agencies—the Security Service, the Secret Intelligence Service and the Government Communications Headquarters. It also examines matters relating to the wider intelligence community, such as the Joint Intelligence Committee and the defence intelligence staff. During the period covered by the report, the Committee held 49 formal meetings and 19 informal sessions and undertook a number of visits. It took evidence from Ministers, the police and senior officials, including the heads of the agencies and the chief of defence intelligence.

I should like to put on record my very sincere thanks to the members of the Committee, from all parties and both Houses, for their continued hard work and commitment, as evidenced by—

Mr. Deputy Speaker: I am sorry to interrupt the right hon. Lady. I should have reminded the House—I am giving her time off for this—that there is now a 10-minute limit on all Back-Bench speeches.

Margaret Beckett: I am very conscious of it, Mr. Deputy Speaker.

Committee members' hard work and commitment is evidenced by something—I hope that people will not take this amiss—that I feel few Select Committees can boast of: a more than 90 per cent. attendance at meetings. I also thank Committee members for the constructive and non-partisan way in which they approach their work.

Since the report deals with the period before I joined the Committee, I will not seek to discuss its detail; in any event some members of the Committee, on both sides of the House, may wish to do so. But I want to point out that it identifies some ongoing concerns, such as anxiety about non-counter-terrorism work or about the potential impact of any attempt to use intercept material as evidence, and some issues that were then current, such as the BAE Saudi Arabia case.

During 2006-07, the security and intelligence agencies faced a tremendous work load in their efforts to counter the international threat from terrorism. They had a number of successes: they disrupted an alleged airliner plot in 2006 and another plot to kidnap and murder a Muslim soldier in the west midlands in 2007. There were also a number of successful convictions, including those of five men involved in a fertiliser bomb plot and seven men associated with Dhiren Barot who were involved in planning attacks.

The Committee would like to record its thanks and praise to the staff of the agencies for those and other unpublicised successes, but to reiterate that, despite hard work and increased resources, there is no guarantee that attack planning will always be detected and all attacks prevented in future. Some 200 extremist networks—of those that we know about—remain currently under investigation. Given that very real threat, it is an important part of the Committee's role to make public as much information as we can about the work of the agencies and to try to dispel some of the myths.

There will always be limits on what we can say without putting at risk lives or operations or damaging the agencies' capabilities by revealing their methods, and we do not believe that the public would want that. So, as has been mentioned—I understand the concern—we redact or withhold sensitive information from the reports, replacing it with asterisks, but we also say that we have investigated the issues and whether we are satisfied or not satisfied, as the case may be.

It is often alleged—we have touched on this today in the debate—that the asterisks in and omissions from the report mean that the Committee is not doing a proper job. There is an opposite argument: the asterisks are evidence that the Committee is doing a proper job, because they show that we have seen the evidence, are looking at all the information and reaching our conclusions based on the full facts. The fact that we cannot reveal all information in a public report is, as has been repeatedly said in the debate, perhaps an inevitable consequence of the subject matter with which we deal. If we published all that we were told, we could not provide proper scrutiny, because we would be unlikely to be given the information in the first place.

The Committee is not, of course, the sole source of oversight. The interception of communications commissioner and the intelligence services commissioner check that the agencies act within the law, how powers conferred on the Secretaries of State are exercised and that warrants and authorisations are correct, proportionate and exercised correctly, so that they do not accidentally target the wrong person. They, too, report to the Prime Minister every year, and the Prime Minister lays the reports before Parliament.

The investigatory powers tribunal was set up under the Regulation of Investigatory Powers Act 2000. It exists to investigate complaints against the agencies from any person, regardless of nationality, and can investigate anything that an individual believes has happened to them, their property or their communications.

Mr. Winnick *rose*—

Margaret Beckett: I give way to my hon. Friend, who raised exactly that point.

Mr. Winnick: My right hon. Friend probably heard my intervention on the Home Secretary in which I mentioned the serious allegations that a British national had been tortured by Pakistan's secret service and MI5 was aware of it, which has been denied. I do not want my right hon. Friend to commit herself, but will the Committee consider looking into those allegations and investigating accordingly?

Margaret Beckett: As I have already indicated, individual cases are matters for the tribunal. The Intelligence and Security Committee investigates the policy and, indeed, the implementation of the policy by the agencies; the tribunal looks at individual cases. However, I assure my hon. Friend that the Committee is aware and very mindful of the serious concerns that he has raised.

Mr. Chris Mullin (Sunderland, South) (Lab): Am I right in thinking that the tribunal has never upheld a complaint?

Margaret Beckett: Not being a member of the tribunal, or—I fear—having yet closely studied its work, I am not sure. However, complaints are a matter for its very serious judgment and I am sure that it weighs them carefully, as all such bodies would.

The commissioners to whom I referred check that the agency's actions are within the law. The tribunal investigates individuals' complaints, and the Intelligence and Security Committee examines administration, policy and expenditure, as do departmental Select Committees. The Intelligence and Security Committee itself was established by the Intelligence Services Act 1994. It set its own work programme, and that work has grown and developed over the years. The Committee produces not only an annual report but, as has been mentioned, ad hoc reports, most latterly on the subject of rendition. The Committee is composed of experienced parliamentarians who value their independence and work on a non-partisan basis to deliver rigorous scrutiny.

As my right hon. Friend the Home Secretary said, however, after so many years it is definitely time to take stock of how the Committee works. When the Prime Minister first broached the issue of reform in the Green Paper "The Governance of Britain", he invited my predecessor to advise on how the Committee should be reformed—strengthened to enable even more effective oversight, while seeking to increase parliamentary accountability and public understanding.

In many ways, the Committee's operations already parallel those of departmental Select Committees. It is the nature of the material that Committee members examine that means that we sit behind closed doors, as much of it, as has been said, cannot be put into the public domain. However, if today's motion is carried, the Committee will consider in the next Session whether there are areas of its work that can be discussed in public—for example, in relation to the national security strategy or the threat assessment. We hope that that will give greater insight into how the Committee works and reduce the level of secrecy when secrecy is not necessary.

Another proposed change to which my right hon. Friend the Home Secretary referred is the proposal to re-explore the use of investigators. The Committee has used an investigator to examine administrative matters such as the vetting system and postal arrangements. However, I must emphasise that the Committee will nevertheless continue to conduct major inquiries itself. We all feel a responsibility to examine the evidence first hand on important issues such as rendition or the 7 July London bombings—*[Interruption.]*

Mr. Deputy Speaker: Order. We cannot deal with things through sedentary interventions; we have already dealt with the matter that the Foreign Secretary and the hon. Member for West Chelmsford (Mr. Burns) have been chuntering about.

Margaret Beckett: Thank you, Mr. Deputy Speaker. We feel that responsibility, but we believe that a pool of expert investigators such as those used by departmental Select Committees would be a welcome additional resource to help with our work. The Committee also welcomes the proposal that its reports be debated in the other place, because its membership is drawn from both Houses and it is important that debates are held in both Chambers. It is also important that there should be an opportunity to debate not only the Committee's annual reports, but all its infrequent ad hoc reports—not least because those ad hoc reports often generate the most interest. Debates on them would also increase awareness of the Committee's work among Members of both Houses.

However, I want to stress the point made by members of the Committee in the debate and to which the Home Secretary responded. The changes that we are discussing cannot be implemented without additional resources. Indeed, welcome for the proposals has to be conditional on such resources being available, in what I completely recognise is a tight financial climate, to strengthen the secretariat, who are already very hard pressed and work very long hours. If the Committee is to maintain—let alone expand—its work load, that has to be taken into account.

That said, I believe that the proposals will enhance the Committee's role, provide a greater role for Parliament and offer the public greater visibility of our work. It is vital—and this view is clearly shared across the House—that there should be rigorous and independent scrutiny of the agencies, and the Committee will continue to provide it.

3.29 pm

Chris Huhne (Eastleigh) (LD): I apologise to the Home Secretary for missing the beginning of her speech. I am pleased to follow the right hon. Member for Derby, South (Margaret Beckett) and to know that the Intelligence and Security Committee is in her good hands; she has had experience in Government of dealing with many parts of the relevant agencies.

We support the provisions in the White Paper, "The Governance of Britain". We will also support the amendments tabled by the hon. Members for Thurrock (Andrew Mackinlay) and for Walsall, North (Mr. Winnick), which add to the transparency and accountability and, to some degree, clarify the separation of powers, which has become somewhat muddled in this area. We also welcome the Committee's authoritative and detailed annual report for 2006-07. I would particularly like to pay tribute to the work of my right hon. Friend the Member for Berwick-upon-Tweed (Sir Alan Beith) on the Committee. Members might be aware that he is not present today because he is recovering from successful treatment for a heart problem. I am sure that all Members of the House wish him a speedy recovery. [HON. MEMBERS: "Hear, hear."]

I should also like to put on record on behalf of the Liberal Democrats our support for the brave work of the intelligence services in protecting the lives of our citizens and the safety of our communities. I very much hope that, in line with the right hon. Member for Derby, South's suggestion, we shall be able to have debates on the ad hoc reports of the Committee—as they sometimes highlight the very useful work that the intelligence services do—as well as on the annual report.

I also note that the last ISC report was produced more than two years ago, and it is perhaps regrettable that we have not had a chance to discuss this matter before. The report that we are discussing today covers the period up to October 2007, and was published in January 2008. I hope that, in future, we can return to an annual cycle, because describing this as an annual report puts us at some risk of contravening the Trade Descriptions Act.

We support the measures to bring the appointments procedure in line with standard practice, as set out in paragraph 237 of the White Paper, "The Governance of Britain", and the members of the Intelligence and Security Committee's standing order. It is right that Parliament, and not the Prime Minister, should have the primary role in nominating members of the Committee, if only to preserve some form of separation of the legislature from the Executive. The ISC must be independent of the Government, and it must be seen to be independent if its reports are to have the standing that they deserve. I believe that the intelligence services see the merit of that argument from their point of view as well, understandable though their concerns are about putting information that might be of use to our enemies into the public domain.

We welcome the moves to explore alternative accommodation options for the ISC, with the necessary private, secure environment, away from the Cabinet Office. I hope that these are not just empty words, and that the Foreign Secretary will be able to give us more information on any progress in that regard when he replies to the debate. Perhaps in our debate on these matters next year, we will be able to have a report on the successful conclusion of that move.

The issue of independence is at the heart of the amendment tabled by the hon. Member for Thurrock. Obviously, the sensitive nature of the information being handled means that the Committee requires heavily security cleared and trusted staff, but I do not believe that such staff cannot be under the authority of the Clerk of the House. In fact, I can think of few people more highly regarded and trusted by Members on both sides of the House. It is also vital, especially as the ISC expands its investigatory work, that there is no question of the Executive having improper influence over the staff of the Committee.

I am sure that the Minister will agree that public briefings by agency heads or Ministers are no replacement for a properly constituted public Committee meeting. We recognise that some meetings—indeed, probably the great majority of them—will need to be held in private. However, the ISC should have the option of meeting in public, and I was delighted to hear that possibility being mentioned by the right hon. Member for Derby, South. For this reason, we will support the amendments.

In the debate on the previous report, my right hon. Friend the Member for Sheffield, Hallam (Mr. Clegg) expressed the Liberal Democrats' support for the regionalisation programme within the Security Service. We are delighted to hear that it has been such a success. I very much share the sentiments expressed by the hon. and learned Member for Beaconsfield (Mr. Grieve), who said that the excessiveness of the secrecy applied to the reports is demonstrated by the availability of the information on public websites. It might be sensible if, before the next report is sent to the House, the redactor checked exactly what is available in the public domain on websites; it tends to be rather more than we might like.

Ms Dari Taylor (Stockton, South) (Lab): I hope that the hon. Gentleman will acknowledge that the Intelligence and Security Committee published its report in December 2007. It is now summer 2008. Since December 2007, much information has appeared in the public domain that was not previously available, so there is a time gap.

Chris Huhne: I take the hon. Lady's point, and any information that was secret at the time of the report, but that has since become public, is not covered by my injunction. Nevertheless, I suspect that if the exercise that I suggested were carried out before the redaction of next year's report, the hon. Lady would still be surprised to discover just how much information was available on public websites. That is true with regard to many matters, not least Members' addresses. It is quite astonishing what one can find out on 192.com, without having to ring up a member of the Security Service.

Dr. Julian Lewis (New Forest, East) (Con): I cannot resist taking this opportunity to say that although the hon. Gentleman thought he would be able to get my address on 192.com, I checked it out, and he would not have succeeded. The main point is that there is a difference between something being available on some unauthorised site on the internet, and something being confirmed in an official publication.

Chris Huhne: I take the hon. Gentleman's point, and I will not try to transgress the boundaries of what is relevant to the debate any longer. I take what he says on board.

Members will be aware of the Liberal Democrats' long-standing concern about the decision to halt the Serious Fraud Office investigation into BAE Systems' dealings with Saudi Arabia. I do not wish to repeat our position, which my hon. Friend the Member for Twickenham (Dr. Cable) has made clear in numerous debates in the House, but it disappoints us that the ISC was refused sight of the minute from the Prime Minister to the Attorney-General that accompanied the note, "The Saudi contribution to our domestic and international efforts to combat terrorism". That whole episode has done great damage to our reputation at home and abroad. I note that the Committee states that it

> "is satisfied that…there were serious national security considerations which contributed to the Serious Fraud Office's decision to halt the investigation".

Obviously, I can only take the Committee at its word, but the fact that investigations into corruption must be stopped for that reason does not, in the public's mind, reflect well on the Foreign and Commonwealth Office, the Government or the security services.

Mr. Siôn Simon (Birmingham, Erdington) (Lab): The hon. and learned Member for Beaconsfield (Mr. Grieve) was careful to say that although we want to push the envelope, as far as transparency and accountability are concerned, we do not want to risk second-guessing things that we do not really know about. Are not the hon. Member for Eastleigh (Chris Huhne) and his Front-Bench colleagues already crossing that line?

Chris Huhne: I do not believe that I am crossing that line in relation to the issue of whether to intervene in a legal investigation, because there are wider considerations than those that are of concern to the intelligence services, not least among which is the reputation of British businesses. How many of them will lose business as a result of clients' fears that if they do business with British businesses, it might be taken as a sign that they are in receipt of corrupt payments or bribes? There are wider considerations, and although the Foreign Secretary, whom we welcome to the Chamber, is chortling at that, I assure him that in many parts of the world it is significant for clients to know that business contracts are being signed for the right reasons, not the wrong ones.

I note that the Committee has reiterated the importance of intercept evidence, while respecting the point that we await the result of the Government's deliberations on the Chilcot review. We hope that a resolution can quickly be found that allows for the successful prosecution of terror suspects by using intercept evidence while protecting the needs of our security services. We know, for example, that that has been done successfully in the United States and Australia, both of which are in close intelligence relationships with our intelligence services. Liberal Democrat Members therefore see no reason why we should not proceed.

In July 2007, the ISC produced its special report on rendition, which shows the important work that the ISC must be allowed to perform on the operations of the intelligence services. I pay tribute to the Committee for that work.

Reports such as this seem to show the importance of having an investigator with extensive powers. It is disappointing that the Committee has been without an investigator since 2004, when the then investigator, John Morrison, appeared on "Panorama", after which his contract was—perhaps unsurprisingly—not renewed. It is surely possible for the Committee to find an investigator whose contractual terms ensure that they do not pop up on prime-time television. Although we welcome the commitment in the reform proposals to appoint an investigatory team, I hope that the skills and experience of that team are well used and allow greater scrutiny.

Overall, we welcome the report and the suggested reforms. We hope that debates will become annual and that the independence of the ISC will be cemented by the acceptance of the amendment. We also congratulate the staff of the intelligence services on their work.

3.41 pm

Ms Dari Taylor (Stockton, South) (Lab): It is pleasing to hear that the Government attach importance to the work of the ISC. The belief that the Committee provides independent and effective parliamentary oversight is gratifying. We spend hours and hours on that work: I make no complaint, but it is worth putting on record that we spend as much time as it takes, and more, if we think that the answers that we have been given are not as complete as they should be. *[Interruption.]* I am no poodle, and I think that the House recognises that fact.

My right hon. Friend the Member for Torfaen (Mr. Murphy) chaired the Committee in 2006-07, when the report was compiled. His chairmanship was often humorous, always purposeful and much appreciated. Today, we are chaired by my right hon. Friend the Member for Derby, South (Margaret Beckett). The House has witnessed her detailed grasp of the issues today, and it is a privilege to serve under her chairmanship.

Like all ISC members, I want to express my thanks to the ISC staff. The staff are half the size of that of most Select Committees, but they are competent and manage an enormous work load. It is a long time since the Committee took evidence from the agencies for the 2006-07 annual report. Even so, the belief remains fresh in my mind that Britain has security agencies that are adaptive and innovative in dealing with the challenges presented by some very difficult times.

The evidence makes it clear that we should all acknowledge two factors. First, intelligence is invariably fragmentary and partial, rather than a complete picture. It is information gained against the wishes, and usually without the knowledge, of targets. Complex analysis is required to evaluate intelligence. Secondly, intelligence is never an end in itself. It serves to inform an understanding of risks and threats, to provide warning and to define the need for investigation or disruptive action. That is the complex area in which our agencies are working. Following the Committee's purposeful evidence sittings with the agencies, I am confident in saying that the staff of the agencies understand the complexities of the various roles that they must perform and energetically and enthusiastically manage enormous tasks.

Mr. Kilfoyle: *rose*—

Ms Taylor: I feel that I should give way to my hon. Friend, if he has called me a poodle.

Mr. Kilfoyle: I do not know whether I should be grateful to my hon. Friend. I referred to the Committee, having sat on the Committee that set it up, as a poodle of the Prime Minister of the day. If there was any inference against individual members of the Committee, I join my hon. Friend the Member for Thurrock (Andrew Mackinlay) in saying that there is no reflection on them—it is to do with the concept of the Committee itself.

In light of my hon. Friend's encomium for the security services and their sagacity in all matters to do with our security, does she appreciate that, since the sexed-up dossier, and before that, many people do not see them like that? In her view, what has changed in recent years, since that tremendously tragic mistake, to reinforce our faith that they would not repeat that kind of wrong analysis?

Ms Taylor: I wish that there were an answer that would reassure us that there will never again be a 7/7, but sadly, as my hon. Friend knows, that answer cannot be given. Terrorists have to be right once; the agencies, and all of us, have to be right all the time if we are to protect ourselves. Frankly, the question was inappropriate.

Mr. Gordon Prentice (Pendle) (Lab) *rose*—

Ms Taylor: I will not give way at the moment, but I will shortly.

In the 2006-07 report, many of the agencies commented that there was a level of satisfaction about the finances provided by the Government. The hon. and learned Member for Beaconsfield (Mr. Grieve), who is not in his place, made the appropriate statement that a significant amount of money is being spent, which must be monitored at all times. I entirely agree with that, as, I believe, does every Committee member. I would add, however, that when we talked about the resources that the agencies have, the former director general said:

"my main concern has been, and still is, we do not have enough people to do the job".

I have never interpreted that statement as referring to the number of people they employ, which has grown considerably; I interpret it as referring to the scale of requirements.

Over the years, certainly since 7/7, we have become much more aware of the growth of potential terrorist activity. The agencies know that 200 extremist networks are currently under investigation, some with the intent and capability of carrying out attacks against the UK. Special branch has added to that by stating that there are 2,000 individuals in the UK about which it has concern—a very careful use of language—and that those people often have multiple identities. Worse than that, the situation is so different from that which we had to face in Ireland. The people involved are part of informal networks, not formal ones that we could recognise, and did recognise—and, of course, there are others about which little or nothing is known.

Serious concern is being expressed that there are not enough people to do the job. That has to be seen in the context of the scale of requirements. We have to acknowledge the complex nature and size of the problem that fundamentalism represents. The agencies have an enormous job to do in achieving a safe Britain.

Mr. Gordon Prentice: There has been an explosion in the number of people working at GCHQ and the other security agencies. Has my friend's Committee given any time to examining recruitment practices and suchlike, given that very little in the report touches on those matters?

Ms Taylor: That was a very positive question about something that the Committee should consider in greater detail. In fact, we have done some work in this field, and it is a mistake that we have not referenced it. I will comment on that a little further in my speech if I have time.

There is a positive response to the work load that the agencies face. People who have read the report will know that there is an increasing determination to work collaboratively. I see that not simply as valuable, but as invaluable and essential. I am sorry that it has taken the agencies so long to get to the point where they are working much more collaboratively. There has clearly been less competition between them, less exclusivity of knowledge and less scoring points off each other. Perhaps we would all have anticipated that after 7/7; there is no longer any room for such boys' games, if the House will excuse the expression.

It is not just that the agencies' way of working is much more collaborative. We have supported collaboration. We heard from the hon. and learned Member for Beaconsfield about SCOPE. He was cautiously but clearly critical about the fact that the overseas project has still not been fielded. We have also been critical about the slowness with which SCOPE has delivered. The intentions of SCOPE are excellent; the delivery programme has been less so.

Again, it is important for us to see the matter as it is. SCOPE is a secure electronic communication system transferring known intelligence, and inevitably we would all see that as totally appropriate. We know that Departments and agencies can ask for information and that it is delivered in 15 minutes—previously, it took 12 hours. There is no doubt in my mind that it is an excellent piece of kit, which we have to support. I am confident that, although the way in which it is used internationally has slipped, it will be used and it will be of considerable value.

I would like to refer to another bit of technical kit that is of incredible value. GCHQ has been modernising SIGINT—signals intelligence. This programme, across the piece, for all agencies, enables the efficient and effective management of a vast bulk of information. It supports collaboration. Reference was made from the Front Bench to the worry that counter-terrorism operations have taken over, and that counter-espionage programmes are now less and less well funded. Again, the Committee shares that consideration, and it is resolved to monitor the comprehensive spending review settlement for 2007. We hope to come back to the House to report that counter-espionage is covered as well as it should be.

I would like to return to a particular use of language that worried me throughout the time we did the report—we do not have enough people to do the job. The House should realise that a different factor is involved. The agencies, with a vast increase in moneys and a determination to increase their staff—exponentially, it appears at times—are selecting from the same pool, which is getting smaller and smaller. That presents the risk for all of us that they could be selecting the wrong people. Significantly, in addition, we could be relying more and more on less and less experienced operatives. Worse than that, with reference to what was said by my hon. Friend the Member for Pendle (Mr. Prentice), it is clear that this group could be receiving less and less training, which is certainly problematic. The Committee most certainly needs to carry out another investigation into that area.

The agencies work very hard. I sound very confident about that, and I may sound too confident and too defensive about their work. I am as abrasive with them as I probably sound to the House this afternoon. I acknowledge the enormous work load that they have to accommodate because it is added to by a requirement, outlined in the report, to increase coverage and operational capability in key countries. That is an important part of the work that the Secret Intelligence Service and MI5 must do. It is fundamental to ensuring that we understand where terrorism could be tracked and could hit Great Britain. They must not only widen their scope and involve key countries, but ensure that they understand the factors that influence radicalisation. Of course, regional teams have been developed.

I feel privileged to serve on the Committee. It is hard and interesting work. The Committee works effectively, objectively and independently. I would hate it if others thought otherwise.

3.55 pm

Mr. Michael Mates (East Hampshire) (Con): It is a pleasure to follow the hon. Member for Stockton, South (Ms Taylor). Let me pick up on her point about recruitment and experience. I do not believe that we risk recruiting

[Mr. Michael Mates]

the wrong people—the standard is extraordinarily high—but the consequence of the speed of expansion is that people with experience of a year or 18 months are doing jobs that would previously have been done by those who had been in the services for three or four years. The heads of the services have acknowledged that risk. It has to be accepted because of the necessity for the vast increase in staff.

The hon. Member for Liverpool, Walton (Mr. Kilfoyle) may not have got his earlier question across clearly. He asked how the intelligence failure that led to the sexed-up dossier could be prevented from happening again. I had the privilege of serving on the Butler review. It was not the intelligence but the use that was made of it that was the problem. If the hon. Gentleman examines the Butler review, he will find that we commented robustly that the dossier went to the limit, if not beyond, of what the intelligence could bear.

Mr. Kilfoyle: I do not want to detract from the right hon. Gentleman's speech, but I have examined the Butler review many times. I am sure that he accepts that where the intelligence ended and the political misjudgments began is a matter for debate.

Mr. Mates: I disagree because I believe that the report analysed that. The intelligence was honest and straight. The use that was made of it is the subject of political debate, but it is not for today.

I shall be brief—I want to make only two main points. First, I do not support the amendment that the hon. Member for Thurrock (Andrew Mackinlay) tabled, not because I am a poodle or part of a gone-native club, but because of the practicalities of his proposal.

If the Committee came under the authority of the Clerk of the House, it would have to be staffed by Clerks, none of whom, as far as I know, is as deeply vetted as all the staff of our Committee are. If one were absent, he could not be replaced unless someone else were deeply vetted and that takes a long time. We have restrictions on accommodation because we see the most secret intelligence, for which there are strict rules. They could not be followed with any ease in the House of Commons, where there is constant public access, without having a place with separate security and separate guards, 24 hours a day, as happens in our current accommodation. It is therefore not the principle so much as the practicality of the proposal to which I object. I would like the Committee to become as normal as possible, but the key word is "possible". *[Laughter.]* I do not know what I have said that is so funny. Everything must be compared with the strict security requirements under which we currently operate. That is why I do not support the amendment.

Secondly, redactions are an old chestnut, which come up every time we debate the matter. We have to redact some things from our report, which must go first to the Prime Minister. That cannot be changed. If the Committee were an ordinary Select Committee, any evidence given to it would become the property of the House, as the hon. Member for Thurrock knows. One cannot do that with secret intelligence. If the position were forced on the Committee, we would not get any more secret intelligence and that would render us ineffective. However, we report everything that we have discovered to the Prime Minister, who sees the report complete and unredacted. Indeed, I think that I can tell the House that there were reports a long time ago that were never published, because the subject matter was too secret. However, the Prime Minister needed the information; he needed to know that the money had been properly spent and administered and that we had got value for money. It took the Committee a long time to look into such things, and we reported them to him, but we can take none of the credit, because nobody knows what we did. Again, that is unavoidable when one is dealing with the sort of subjects that the Committee has to deal with day in, day out. I agree with my hon. and learned Friend the Member for Beaconsfield (Mr. Grieve) that when we redact, we must always push the envelope and have a robust exchange. Clearly, the Government and the agencies say, "You can't possibly say that," but we test them, we move them a little and we sometimes move them a lot.

Ultimately, nothing has ever been left out of one of our reports without our agreement. The statute says that nothing can be put into one of our reports that might damage national security or the operation of the security services, and that has always been the case in the 14 years that I have been on the Committee. Let me tell the Foreign Secretary with all the power that I can muster—I hope that he will tell the Home Secretary, who I had hoped would be here as well—not to break that convention. If the Government were to do so, that would damage severely relationships and put the relationship between the Committee and the Government in quite a different light. That relationship has always worked until now. We have honoured the Government's need for security, and the Government must consider the issue very deeply before they decide to go against what has been a thoroughly worthwhile convention.

I will not go into the report, because lots of others want to speak, and they will have read it. However, I stand by it and I disagree completely with the amendment tabled by the hon. Member for Thurrock.

4.1 pm

Mr. David Winnick (Walsall, North) (Lab): I want to make some points about changes to the Committee. First, let me say that I recognise the work that the Committee has done. I am sure that its members have carried out their duties conscientiously. I have read the Committee's reports regularly, not only this year, but in previous years.

The work that the security agencies carry out to prevent acts of mass murder is recognised by all of us. There is no doubt that there are extremists who want to repeat 7/7 and what was attempted a fortnight later; they want to carry out mass murders, atrocities and the rest. None of us can have the slightest doubt that the situation remains as it was three years ago and that there are violent extremists with a religious agenda, and it is pretty obvious what they would like to do. Dealing with such individuals and locating their plots must be more difficult for MI5 than its previous work in dealing with extremists with no religious agenda whatever.

In speaking about the need for changes, I want to remind hon. Members of what happened before the security agencies were established on a statutory basis. I had one or two debates in the 1980s in which I suggested that there should be some parliamentary accountability for MI5. The ministerial response at the time, which would no doubt have been the same under a Labour Government—I have no illusions on that score—was that it was simply impossible to have such parliamentary accountability and that the very nature of the work of the security services was such that there could be no question of establishing any kind of committee. I was always told, as other critics were, "Don't worry overmuch. The security agencies are accountable to the Prime Minister and the Home Secretary, who in turn are responsible to Parliament." I was told, in effect, "Why worry about the matter at all?"

The changes that came about for various reasons—in 1989, MI5 was placed on a statutory basis, as MI6 was later, and in 1994, the Intelligence and Security Committee was formed—were all welcome steps; certainly I welcomed them. I pointed out—I was hardly the only one—that the Committee functions and the method of appointment should be somewhat different. I argued that it should be a Select Committee of the House of Commons—not a normal Select Committee, but along those lines—but that was obviously rejected.

I hope that the Foreign Secretary will not misunderstand me when I tell him that, long before he arrived here, when a measure relating to that issue was considered during the Committee stage upstairs, the Labour Front-Bench spokesman argued more or less what I have just been saying. The story goes that when John Smith, the then leader of the party, heard about it, he said to my colleague who led for us, "Why on earth did you say all that? We have no intention of doing that in government." That is how the story goes. Nevertheless, we put the case in Committee, but we were not surprised when the Government took the line that they did.

I felt that the formation of the ISC was undoubtedly a step forward. There would be some limited—yes, limited—parliamentary accountability, which had not existed before. I welcomed that. I was not too critical, as my hon. Friend the Member for Liverpool, Walton (Mr. Kilfoyle) was a moment ago, about those who were appointed—not selected—by the Prime Minister.

Mr. Kilfoyle: I obviously did not make myself very clear, so can I lay this one down once and for all? I have never criticised the individuals concerned, any more than my hon. Friend the Member for Thurrock (Andrew Mackinlay) has. It is the Committee itself, from its inception, that I have called a poodle.

Mr. Winnick: I take my hon. Friend's point entirely, but I do not go along with him, because I do not think that the Committee is a poodle. It has carried out useful work, although I at least agree with him about the method of selection.

On selection, the Government's proposal to involve the Committee of Selection is welcome, but let us not be naive. The Committee of Selection decides on the recommendations made by the Whips. That has been the situation in the House of Commons for at least 100 years, and it is not going to change in the next Parliament or the one after. It is therefore pretty clear that—I think that this is the wording—those who are going to be recommended by the Committee of Selection to the Prime Minister will be precisely those who at present are appointed by the Prime Minister. I do not really have any doubts about that; nevertheless, if the formalities are observed, there will at least be an opportunity for a debate to take place, on the Floor of the House if necessary, which cannot happen now. That is a step forward.

Mr. Kilfoyle: If the Committee of Selection were to appoint on that basis, would the Chairman of the Intelligence and Security Committee not be more secure and even more independent? We all recall the kerfuffle when the Government of the day tried to get rid of the then Chairmen of the Select Committee on Transport and the Select Committee on Foreign Affairs. It was this House, in its indignation, that ensured that they remained in situ.

Mr. Winnick: Indeed, that incident, which was a compliment to the House of Commons, took place precisely seven years ago yesterday. I agree with my hon. Friend that if the Chairman is appointed as proposed, he will be strengthened accordingly, and I am all for that.

The purpose of my amendment is to state what the Green Paper in fact said, and give the Committee

> "the option to meet in public (including, if Parliament agrees, in the Houses of Parliament)".

To avoid any distortion of what I am saying, it is necessary to point out that I entirely accept that most of the Committee's work will be in private: it must be in private and I doubt whether anyone would disagree in any way, shape or form. It is important, however, that at least some of the Committee's work—on the financial aspects, for example—be done in public.

I welcome the fact that the director general of MI5 gives a public address and that, unlike in previous years when the identity was known but kept a secret, everyone knows who it is. That being the case, with the director general going public like the present occupant and their predecessor, why on earth should it be inappropriate for certain sittings, where there is no danger to national security, to be held in public? All that I am saying in the amendment was outlined in the Green Paper, but the White Paper has unfortunately fallen short of that position to some extent.

Mr. Mates: It is one thing for the director general to make a speech when he knows what he is going to say, he says what he wants to say and he clears it in advance if necessary, but it is quite another for him to appear before a Committee where he would have to answer questions. The questions would be very difficult to ask and they would probably have to be rehearsed to ensure that no breach of national security would arise from either the question or the answer. I suspect that that would very soon come to be seen as something of a charade. I am not saying that it should never happen, but questioning the heads of the services would be a very difficult operation.

Mr. Winnick: I do not deny that there will be some problems, but I must say to the right hon. Gentleman that very similar points were put to me before MI5 and MI6 were placed on a statutory basis, when we were told that this, that and the other reforms were out the question. If public sessions do indeed take place, as

[Mr. Winnick]

they may, according to the Home Secretary and the Chairman of the Committee, it is unlikely that we will revert to a situation where no public hearings would ever occur again. It is, of course, a question of balance. I am the first to accept that certain matters should not under any circumstances be dealt with in public, but I believe that other matters could and should be. We are moving along those lines.

At the end of the process, we want Parliament to have a direct role in the work of the ISC. To some extent, that has already arisen; after all, we are having a debate that arises from the annual report. We need to go a little further—not as far as possible, perhaps, but more than at present. I understand the comments of my right hon. Friends the Home Secretary and the ISC Chairman to indicate that public hearings are not being ruled out and that there is a possibility that they will occur in the near future, which is a welcome step.

4.13 pm

Richard Ottaway (Croydon, South) (Con): I will deal with some of the points raised by the hon. Member for Walsall, North (Mr. Winnick). I believe that there is an element of truth in what he is saying, but that he is missing out certain aspects of the problem. I hope that it will not spoil the career of the hon. Member for Liverpool, Walton (Mr. Kilfoyle) if I say that I am a bit of a fan, but I do not consider myself a poodle and I do not think either that he was accusing me of being a poodle.

I welcome the annual report. There is nothing unusual in it. Its main feature is the growth of the agencies in response to the post-9/11 era—an inevitable fact of life. Earlier in the year, we produced an important report on rendition: Members have alluded to it and it has been widely discussed. However, it is on the proposed reforms that I would like to concentrate my remarks.

I do not belittle any of the reforms; I support them. I took part in the debate inside the Committee. Appointments by the Committee of Selection are a good idea, but let us not kid ourselves that they will produce a fresh set of characters. The system will continue, and the usual types will surface. To that extent, the process is largely cosmetic.

It is right and proper that the Committee Chairman should introduce the debate, but it will not change the tone of the debate much, other than that she will get more than 10 minutes in which to make her speech. The Committee already has the power to appoint an investigator. In truth, the problem lies more in the question of resources, which was raised by the Committee Chairman, the right hon. Member for Derby, South (Margaret Beckett), and in the physical cost of accommodating and managing an investigator.

On the issues raised by the hon. Member for Walsall, North (Mr. Winnick), it will be a change to have public hearings, but my right hon. Friend the Member for East Hampshire (Mr. Mates) was absolutely on the button when he said that the scope will be limited. It will happen—I am pretty sure that there is a determination to do it—but let us not get carried away about how effective and revealing the hearings will be. To that extent, again, the change will be somewhat cosmetic.

Let me touch on the statutory reforms that have not been discussed today. In 2007, the Green Paper said that the Act

> "should be amended to bring the way in which"

the ISC

> "is appointed, operates and reports as far as possible into line with that of other select committees".

So far, so good. The Prime Minister went on to say that the ISC should have a "strengthened capacity for investigations". Listening to the Home Secretary today, I thought that that commitment was fading a little. In his statement on national security strategy, the Prime Minister spoke of current reforms in advance of future legislation, but what that would be was not elucidated. A couple of weeks later, "The Governance of Britain" White Paper made no reference to statutory reforms.

Statutory reforms should be considered in a number of areas. If we are to have the Prime Minister's "strengthened capacity for investigations", the first area to consider is documentation. In response to my intervention, the Home Secretary said that the Committee will be able to have an investigator, as if that were the extra, strengthened capacity. As I said, however, we already have that power, so nothing much is coming on that front. Documentation, and that on which we can draw, needs to be considered.

The reports on rendition and 7/7 are extra-curricular—they sit outside the legislation. The invitation to the Committee to conduct the reports carries with it the implied request that the agencies should supply us with whatever documentation is necessary to do the job. In the wide range of our activity, the Committee should have the power to request whatever is necessary to do the job. As we consider reforms, that should be the default setting.

Secondly, we need to look at the issue of the witnesses who come before us. Again, I do not have a precise, concrete proposal, but I have the feeling that one wants to call people whom we do not have the power to call at the moment. That extra power is needed. Consideration should be given to the way in which witnesses can be brought before Committees.

I will return to that point in a moment, but I want to touch on the difference between the ISC and a Select Committee. As the hon. Member for Thurrock (Andrew Mackinlay) knows, I have served on both—I have been on the ISC for three years, and I was on the Foreign Affairs Committee with him when we investigated the war in Iraq. We had the Gilligan report, David Kelly being put before us by the Government, his subsequent suicide, and the Hutton inquiry. It was not exactly a low-profile Select Committee. In fact, for those of us on it, it was a fairly unforgettable experience.

So, if the ISC were to become a Select Committee, its members would have to be notified under the Official Secrets Act 1989, which would immediately take it out of the Select Committee system. It would have to meet wholly in secret and could not report to Parliament without redactions. All those points have been well made by my right hon. Friend the Member for East Hampshire. The Clerks of the House and of the ISC are of the highest calibre, and they would perform an identical function, so it would not make any difference to that extent, but Clerks would have to be vetted and cleared. The evidence would have to be given by the agency heads in secret and we cannot get away from the fact that that information could not be published.

Mr. Mates: It is perhaps worth pointing out to the hon. Member for Thurrock (Andrew Mackinlay) that when we last appointed a Clerk, one of the candidates was from the body of the Clerks of the House. We could perfectly well have chosen him. He did not, in our view, turn out to be the best candidate, but we are not prevented from using the resources of the Clerks of the House. If someone applies for the job, we are perfectly able to appoint him.

Richard Ottaway: My right hon. Friend makes a perfectly good point.

Let me go back to the point that I was making a second ago about evidence. The key difference is that the Select Committee on Transport, for example, has employees, businesses, users, passengers, station masters and so on coming before it. One simply does not get that in the intelligence world, as there is no equivalent. There are plenty of conspiracy theorists out there, but there is not enough time to address all their arguments. In truth, our input is predominantly from agents. If we were sitting as a Select Committee, that input would be limited.

When I joined the Committee, I was fairly sympathetic to the idea of its becoming a Select Committee after my experience on the Foreign Affairs Committee. Having been on it for three years, I have simply reached the conclusion that that would not be an improvement, that the situation would probably be worse and that it would be less effective. We should focus on making the ISC as similar as possible to a Select Committee, which is what we are trying to do, subject to the reforms that I am suggesting.

I feel most uncomfortable with the question about the precise role of the ISC. Is it with the agencies or against them? Does it provide oversight or a check or balance? The Committee's job is defined, as is the job of a Select Committee, as the provision of oversight of policy, finance and administration. That definition is wide and vague, and can be broadly or narrowly interpreted. During my time on the ISC, I have seen a narrow interpretation. A Select Committee has more freedom to range and is wide-ranging in its scope. My third proposal for statutory reform is a clearer statutory definition of the role of the Committee combined with powers to deliver on it.

Let me conclude with the point made by the Chairman of the Committee about resources. The ISC has fewer resources than a Select Committee has. It has fewer staff. If we are to up our game, we have to bite the bullet and give more resources to the Committee. Without those resources, no serious progress can be made. Let me allude, too, to the issue of accommodation for the Committee. The White Paper said that the Committee should not sit in the Cabinet Office. When the Foreign Secretary is winding up, will he mention whether he feels that we should move out of Cabinet Office facilities, by which, of course, I mean the wider Cabinet Office estate? Does he feel that the wider Cabinet Office estate is an appropriate setting for the Committee's location?

The Secretary of State for Foreign and Commonwealth Affairs (David Miliband): The Foreign Office.

Richard Ottaway: There are, of course, facilities adjacent to the Foreign Office that the right hon. Gentleman might want to think about.

In short, I think that the ISC can do the job if it is given the powers to do it.

4.24 pm

Andrew Mackinlay (Thurrock) (Lab): I am grateful for having caught your eye, Mr. Deputy Speaker. Let me make it clear that I acknowledge that the intelligence and security community has had enormous successes on behalf of all of us in combating terrorism, and I wish it well in that continuing role. I have more of an open mind on another of its aspects—combating organised crime—because part of my thesis is that inadequate information is available to Parliament to evaluate its stewardship, conduct and competence in this regard. In respect of espionage, I have some doubts, because it seems that the same cold war rhetoric—the reference to diplomats as spies—is used in London and in Moscow. It sometimes does not seem mature, given that we recognise that every person in the Russian embassy has been allowed by the Foreign Secretary to be there and that the same thing happens in Moscow. A lot of energy is used on that, rather than on combating espionage, which I am all for. The cold war rhetoric impedes our foreign policy and our building the necessary relationship with the Russian Federation.

Against that backdrop, I referred in the House on 22 May—I do not want to labour the point again—to what I consider to be an affront not only to me, but to Parliament. I am talking about MI5's approach to the Government Chief Whip and my being told, "You are being targeted by a Russian spy." Those were the precise words. I find that menacing, intimidating and inappropriate in a free Parliament. I want to make it clear that so long as I am a Member of Parliament, I intend to meet whom I like, when I like and where I like—my chosen place is here. I want to say that in not only my interests, but those of Parliament. Everyone here knows that, by definition, a Member of Parliament has no secrets; the only secrets we can share are predictions about possible political developments in the United Kingdom.

Mr. Winnick: Will my hon. Friend give way?

Andrew Mackinlay: If my hon. Friend does not mind, I shall not, because other hon. Members wish to speak. Some people treat the matter that I am discussing with levity, but it is desperately serious. I just wanted to place that on the record.

I come to the motions. I have listened carefully to the interesting comments of hon. Members, both those who are members of the ISC and others. There is demonstrably now a mood to revisit the Intelligence Services Act 1994, and the Government motions invite us to do that. If we adopt the Government's motions tonight, nothing will appreciably happen immediately; any change will take place after the next general election. Their motions would require an amendment to the 1994 Act, as would my amendment.

I listened carefully to what the hon. and learned Member for Beaconsfield (Mr. Grieve) said, and I was grateful for his invitation to give him reassurance. I believe in gradualism in these matters. If my modest

[Andrew Mackinlay]

amendment were adopted tonight, it would not immediately alter things; it would clearly be the subject of further discussions between the security services and Parliament, and it would have to be enacted by primary legislation. That is why I invite the House, if it is favourably disposed in principle, to increasing the parliamentary status of the work done by the ISC, to support my amendment as an expression of will. I think it would help because this is a question of public confidence.

As has been said by the hon. Member for Croydon, South (Richard Ottaway) and others, including, even the right hon. Member for East Hampshire (Mr. Mates), the ISC will always be a special Committee. Its accommodation may have to be in a different place, but to have the Clerk of the House of Commons providing the secretaryship would send an enormous signal to increase public confidence—this is most necessary. I tabled a question asking who the ISC's Clerk is, but the parliamentary reply said, "We won't tell you; its a secret." That is indicative of the obsessive secrecy that exists, and I do not think it is healthy in a democracy.

I listened and learned this afternoon. I realise that the Committee has to deal with some big-picture stuff, but there is therefore a void—a flaw—that is not being met by our parliamentary institutions. Let me give an example of that. Although we had a statement on the loss of data on the Waterloo train, Parliament should investigate that event. At the least, we need to know that a Committee is investigating it—we are not told what the ISC is doing—yet this relates to the stewardship and management of our security and intelligence services. I have no confidence, and I do not think that anyone else does, that this is being dealt with properly.

Some people might consider this a trivial point, but because I am interested in the stewardship, conduct and management of those services, I cheekily asked how many members of the Joint Intelligence Committee had been given honours in the new year's honours list. I cannot be told that, because it is a secret.

Mr. Mates: The hon. Gentleman has got it wrong again. If the ISC looked into an incident such as the loss of documents on a train, which is a very serious matter, we would be in exactly the same position as any other Member. The incident is being investigated by the police and by an internal disciplinary process, and no Committee of this House would ever interfere in the matter or would question those proceedings until they were over. When those proceedings are over, a decision may have to be taken.

Andrew Mackinlay: That may be, but we are devoting a mere three and a half hours to a most important subject—and that will be our lot in one and a half years. We have been told that the report is now six months old. The House is abdicating its responsibility to keep security and intelligence under scrutiny and it is a sham that we have such a short time. Scrutiny is totally inadequate, so even if we did investigate the loss of data, we would not have time to probe the matter properly.

I support the Government's motions, but their importance is exaggerated. Even if they are agreed tonight, we will still need primary legislation. We know that the Democratic Unionist party has, rightly, been promised a seat on the ISC, as part of the St. Andrew's agreement and because responsibility for national security in Northern Ireland has been taken from the Police Service of Northern Ireland and given to MI5. Why do we not come clean and expedite legislation that would increase the membership? Only one member comes from the House of Lords, for example.

Nor have we used this occasion to probe the working of section 7 of the 1994 Act. On the only occasion that I ever went to Vauxhall Cross, I was told by the head of MI6 that section 7 allows his organisation to do things abroad that are unlawful in the UK. We have a duty to examine that, and if it is a matter for the ISC, we should at least have the reassurance that the issue is considered by it on a regular, ongoing basis.

We have not had an adequate response to an issue that is mentioned in the Government's response on pages 1 and 5. The Home Secretary skipped over that, and I think that her response has been inadequate, bearing in mind the minimal scrutiny that this Parliament is giving this matter this afternoon, for the first time in one and a half years.

The Clerk of the House and his colleagues act as colleagues of the Chair of Select Committees. They ask the Chairperson, "Would you like me to do this?" or "Would it be a good idea to do that?" That may happen in the ISC, but one cannot escape the fact that whoever provides the secretariat for that Committee is in the Cabinet Office, and that is unhealthy. It provides no reassurance that the role of the Clerk is the same as it is for other Select Committees. We could make special arrangements for the Clerk, such as deep vetting, as the phrase has it.

Incidentally, one of the questions I asked about deep vetting concerned an MI5 operative whose spouse was involved in what is referred to as the sex industry. I asked about the vetting in that case, but I did not get an answer because it is secret—*[Laughter.]*

Dr. Julian Lewis: She w[illegible]der cover!

Andrew Mackinlay: That may well be, but how can we be reassured, in a free and democratic Parliament, that the conduct, stewardship and oversight of our intelligence services are satisfactory? The present arrangements are wholly inadequate.

I urge hon. Members to consider what I hope is a modest amendment, under which the Clerk of the House would provide the secretariat for the Committee. Many things would flow from that, and it is clear that there would have to be much more discussion, as well as amending legislation, but I contend that it would constitute a great advance. I therefore hope that colleagues will support me on this House of Commons matter in the Division Lobby this evening—assuming that the Government do not accept the amendment in principle.

4.35 pm

Ben Chapman (Wirral, South) (Lab): I want to say a few words about the intelligence agencies' financial accountability. It may not be the most exciting part of their operation, but it is an important one none the less. I want to say something about resource allocation and, if time permits, something about the cyber challenge.

Our report shows that there has been a substantial real-terms increase over recent years in the single intelligence account, which funds all the agencies. That is set to continue: according to the 2007 comprehensive spending review, the SIA for this purpose will increase from £1.85 billion in 2008-09 to £2.15 billion in 2010-11. Obviously, those are very large sums of money, but I welcome the increased investment by the Government in this important matter. It is a necessary response to the continuing and pervasive threat posed by international terrorism.

The Security Service has estimated that there are at least 2,000 individuals in the UK who pose a direct threat to our safety and public security because of their support for the al-Qaeda form of terrorism. That figure has increased since 2005, and I expect it to continue to do so. Evidence suggests that attack planning in Europe has increased over the past 12 months and there has been recent media coverage of a number of foiled plots. It is said that the threat will last for at least a generation.

These can be fragmented terror groups that plan random plots, but they are often co-ordinated, sometimes from abroad. They boast sophisticated technical know-how, and they are united in their pursuit of extremist ideological ends that are anathema to basic tenets of our democracy. Their willingness to kill indiscriminately, en masse and without prior warning makes this a more extreme form of terrorism than anything that we have experienced previously. Given that the threat posed by terrorism is an amorphous and changing one that franchises, morphs and spreads, there is a question about the most suitable structures through which our response is to be channelled.

I shall leave that question to one side, though, as it is clear, however one slices it, that this is a serious and sustained threat. It is important that the agencies continue to receive adequate financial support as their work becomes more complex and challenging. They are literally in the business of saving lives.

The unprecedented increase in funding means that it is more appropriate than ever that suitable mechanisms of accountability are in place. We are, after all, dealing with public money. The sensitive nature of the agencies' work should not, of course, preclude them from being subject to appropriate management and financial disciplines. In any organisation, major increases in resources can lead to inefficiencies and waste rather than value for money and discipline. Expenditure projects that previously did not quite come up to the mark and were found to be below the line can now be dusted off and, relatively speaking, found to be above the line and brought forward.

The annual report that we are discussing notes the Committee's satisfaction, with some caveats, that public money has been put to the best use and subject to appropriate auditing practices and efficiency targets. However, whether the efficiency targets are appropriate is another question, which again I shall leave to one side for the moment.

By its nature, the ISC is the only body that can take the oversight role. To ensure that money continues to be appropriately and well spent, I think that we need to take an even more hands-on approach in that regard. We need to review constantly, rather than retrospectively, the financial situation within the agencies and how money is spent. We are in discussions about how we do that, but there is obviously no point in closing the stable door. One option, in line with the Government's proposals for reform of the Committee, would be to include a special financial investigator as part of the pool of investigators, and that would strengthen the research capacity of the Committee in that regard.

Mr. Kilfoyle: I am very interested in what my hon. Friend is saying. How does he perceive the interface with the Public Accounts Committee? Is there a role for it in terms of improved accountability, given the increased expenditure of the intelligence services?

Ben Chapman: I think there is scope for liaison. We do, of course, draw on the resources of the National Audit Office in our work of oversight. We need vetted people to help us and there are a limited number of those in the NAO but none, to the best of my knowledge, in the PAC.

The point is also relevant to the more general question of resource allocation and whether funding is sufficient. I suspect that the question about whether the funding is enough is probably unanswerable, but given the gravity of the threat faced by the UK, we must be confident that additional funds are appropriately distributed and targeted. We must be careful to ensure that, in rightly focusing resources on the threat of terrorism, we do not neglect to think carefully how best we can use total funds. For instance, the Committee, and hon. Members earlier in the debate, have expressed concern that the recent recruitment drives launched by the agencies—a significant reason for the increased expenditure—may lead to a dilution in the quality of staff and to grade inflation. Over 2007-08, for example, the Security Service aimed to supplement its existing 3,200-strong work force with an additional 690 officers—an increase of 20 per cent. We obviously should not prize quantity above quality, but again we are assured, and we accept, that the issue is being managed effectively. The report notes the Committee's concern that while the agencies' focus on countering the threat of terrorism is both necessary and understandable, it has resulted in a

> "proportionate reduction in resources dedicated to tackle other areas".

I want to elaborate on that, not necessarily from a Committee perspective but from a personal and open-source point of view.

The end of the cold war was supposed to mark the end of traditional rivalries between nation states, as we slipped into an era of liberal democratic peace. In many ways 9/11 reinforced that trend, as the more amorphous threat posed by Islamic terrorism came to be seen as the primary threat to our national security. The national security strategy announced in March reflected that in its focus on the dangers posed by terror networks and other non-state actors. It had very little to say on state-led threats. I worry that pooling all our resources into the war on terror may have taken the focus away from more traditional forces of threat.

Over the past year, there has been a growing number of warnings about the extent of covert activity by foreign intelligence organisations in the UK. In his Society of Editors speech last November, the director general of the Security Service said that his agencies had been forced to defend the UK against

> "unreconstructed attempts by Russia, China and others, to spy on us."

There has been a spate of unconfirmed—

Andrew Mackinlay: The date was 5 November, which I thought was quite significant, because I think there is a case to defend Parliament and parliamentary democracy here. I went into the M15 website the other day, which said,

> "myths…MI5 'vets' Ministers and Members of Parliament. Ministers and MPs are not subject to vetting."

How was it that I was warned by the Chief Whip not to meet a Russian diplomat? I find that highly unacceptable in a democracy. This is going on, and it is menacing.

Ben Chapman: It is not for me to comment on that, but I am sure that the point has been recorded and will be noted.

There has been a growing number of warnings over the past year about the extent of covert activity by foreign intelligence organisations in the UK. There has been a spate of unconfirmed stories about the hacking of sensitive computer networks in Whitehall Departments, in parliamentary offices and UK businesses. It is said that 30 agents are operating out of the Russian embassy and trade mission in London—the same number as during the cold war. That has been referred to in some respects. Much of that is tied to the increased competition between nation states over resources, whether energy, technology or information. That seems set to define the 21st century.

Despite the changing nature of the security environment since the end of the cold war, it is dangerous to ignore the more conventional threats. The Security Service currently spends only a small percentage of its resources on counter-espionage. The majority of the agency's resources go into combating terrorism at home and abroad—that is right—but at a time when other countries are increasing the sophistication and reach of their espionage activities, we may need to rethink that division of resources. Our report suggests that

> "consideration may need to be given to separate, additional funding"

for aspects of intelligence and security work other than counter-terrorism. Of course, I agree with that.

Again speaking from a personal rather than Committee perspective, I want to mention the looming danger posed by cyber threats. I have to say that I defer to no one in my lack of knowledge in that area, but it seems to me that that term broadly describes the intent to defend and attack information and computer networks in cyberspace. The appeal of that form of post-modern, asymmetric warfare is obvious; it is a low-risk strategy, since it is generally difficult to trace the origins of cyber attacks and to apportion blame, but it is high yield in the sense that it gives states or individuals the opportunity to offset the superiority of an adversary's forces on the conventional battlefield. Smaller players can level the playing field with larger opponents in the cyber arena, because of the relative ease of access to the technology.

Given the dependence on information technology in not just our military systems but the whole infrastructure of modern society, a successful cyber attack could pose a severe threat to national security and economic prosperity. This is a developing issue in inter-state relations, but one that is unlikely to go away in an age when information superiority is paramount. It is vital that this issue is given the requisite attention. At the very least, perhaps we need to think about the allocation of more resources from the single intelligence account to counter-espionage, to guard against complacency, particularly in relation to the cyber challenge.

4.47 pm

Mr. George Howarth (Knowsley, North and Sefton, East) (Lab): May I say what a pleasure it is to follow my hon. Friend the Member for Wirral, South (Ben Chapman), particularly his lucid explanation of post-modern, asymmetric warfare? I am sure that the whole House is now far better informed on that subject than we were a few moments ago.

I want to address some of the issues that have been raised variously by my hon. Friends the Members for Thurrock (Andrew Mackinlay), for Liverpool, Walton (Mr. Kilfoyle) and for Walsall, North (Mr. Winnick). In an ideal world, the secrecy involved in the various agencies and the collection of intelligence would not be so wide ranging as it must be in the world in which we live. Therefore, greater openness would be perfectly possible, because a smaller amount of information would need to be dealt with.

As many hon. Members have said, the threat in the post-9/11 world from those who are influenced by Salafi ideology, which was born in Egypt but has been assimilated by groups such as al-Qaeda, is such that we need to have extensive coverage of what is going on in the UK and in countries such as Pakistan and other countries in the middle east and elsewhere.

If we are to deal with a lot of intelligence information that is by its nature secret, it is not possible for it all to be discussed openly or for us to conform with all the democratic requirements that rightly apply to other areas of policy. We are not dealing with the health service or education; the information is of a completely different kind and it has to be dealt with differently.

Mr. Mullin: Nobody is arguing that all the information should be put in the public domain; the argument is that in a democracy the Intelligence and Security Committee should account to Parliament, not to the Prime Minister.

Mr. Howarth: My hon. Friend will forgive me if I say that that is exactly what we are discussing here today. I shall move on. I shall probably answer his substantive point slightly differently in a moment.

My view is that as far as possible everything should be as out in the open as is reasonable. It is appropriate that, through the Green Paper, the Government have considered how we scrutinise and how we can do more things in public. I shall not cover that ground too much, as my right hon. Friend the Member for Derby, South (Margaret Beckett), who chairs our Committee, dealt with it in great detail and in a way that represents the views of most, if not all, of the Committee's members. Some things we can do in public and some we cannot. The obvious example—the national security strategy—was raised by my right hon. Friend. As that is a public document, it seems reasonable that much of any interview that we have with the heads of the agencies or those responsible for them should be public; I have no problem with that.

My point is that there is a trade-off: the more that we do in public as a Committee, the less we will get to know. I cannot go into detail, for obvious reasons, but in one of our recent investigations, for example, we looked at some raw intelligence information. It goes without saying that if, as is sometimes necessary, we have the ability to do that, we cannot suddenly grill someone about that information in public. A big element of what we do has to take place behind closed doors; the right hon. Member for East Hampshire (Mr. Mates) made that point very effectively, so I will not take it any further.

In the three years during which I have been a member of the Committee, we have had the opportunity to talk to the members of other oversight committees from other parts of the world—Spain, South Africa, Australia, Canada and others. I should add that most of the time they come to see us rather than the other way round, in case anyone thinks that we spend all our time travelling around the globe. One of the points that has come out of a lot of the dialogue that we have had with people on other oversight bodies is that they envy the extent to which we can go into greater depth and look at information that they simply would not be allowed to consider. They have often made the point that we are probably more effective because we are more behind closed doors than our equivalents in other parts of the world.

I had intended to say a lot more, but time forbids. I also want to address briefly the review of counter-terrorism strategy; our report refers to that from page 27. I am thinking particularly of the Contest strategy, and, within that, the Prevent strand. One of the great lessons that we learned from the London bombings of three years ago is that some young, and in many cases British-born, Muslims are so alienated—that is probably the wrong word; "detached" is better—from their own predominantly Muslim community and broader British society. There are all sorts of reasons for that, but I do not have time to go into them now. The agencies are well aware of those reasons, and I know that the Secretary of State for Communities and Local Government is also pursuing that agenda.

It is hugely important that we better understand the process that often leads young Muslim men—it is almost exclusively young Muslim men—to move from a point at which they might be considered radical to a point at which they are willing to strap on explosives, go on to the public transport system and kill and maim hundreds of people. At some future time, it could even be thousands of people. There is a very good book on that process by an American academic and former employee of the State Department, Marc Sageman, called "Understanding Terror Networks". It is important that that kind of open-source information should be taken into account by the agencies as they increasingly try to understand what is going on in our own community.

A further point on the radicalisation and conversion to terror of young Muslims is that we need directly to engage with them. There are some who would be described by them as apostates—for example, Hassan Butt and Ed Husain. Those people have held that ideology and then rejected it, and are now doing a very brave thing in raising these issues, having come to an understanding of how wrong they were. They are writing articles, making speeches and giving lectures on this subject. They and others in the Muslim community who are moderate in their interpretation of Islam must be strongly encouraged. If we are to prevent more and more young Muslim men from becoming terrorists, almost nothing is more important than that engagement. I know that the agencies recognise that fact, but I hope that we all recognise that we have a responsibility to engage with those people and to understand their genuine issues and grievances while, at the same time, being firm in pointing out that terror and blowing people up are not acceptable in this country and will never be condoned simply because they take on a religious colour.

4.57 pm

Mr. Gordon Prentice (Pendle) (Lab): I shall take only a couple of minutes. I came here to support my good Friend the Member for Thurrock (Andrew Mackinlay), but I might make one or two other observations, having listened to the debate.

My Friend the Member for Stockton, South (Ms Taylor) talked about the agencies selecting from a smaller pool of people. That was very delphic; I really wondered what she meant by that. I find myself thinking that the report is very disappointing when it comes to staffing and recruitment issues. The right hon. Member for East Hampshire (Mr. Mates) told us that it is not about recruiting the wrong people but about getting enough of the right people, yet there is nothing substantial in the report about recruitment methods or turnover. We know how many people there are in the three agencies. We are told that it is 3,200, and that there has been an explosion in numbers, with another 690 being recruited in 2007-08. Presumably that recruitment will continue into the future, so long as there is this terrorist threat. We also know that there are concerns within the agencies about the civil service retirement age increasing to 65 over the coming years. And that really is about it.

My substantive point is that the staff at GCHQ—in fact, the staff of all the agencies—are civil servants, but they do not have all the rights of civil servants. There is no requirement, for example, to appoint according to merit. That is at the core of the United Kingdom civil service, but GCHQ and the other two agencies could just drag someone off the street and appoint them. GCHQ staff cannot take their concerns to the Office of the Civil Service Commissioners, or any other outside body.

Mr. Mates: The hon. Gentleman is plain wrong about that. In the Committee's lifetime, a special person has been appointed to whom any member of any of the security services can, in confidence, take any ethical, professional or other concerns, without going through their line management. That has been working extremely well. He ought to get his facts right.

Mr. Prentice: I hear what the right hon. Gentleman says, but I wonder whether that system is sufficient. In 2004, when the Government published a draft Civil Service Bill, in response to the draft Civil Service Bill produced by the Public Administration Committee, it included reference to GCHQ, but in the draft Constitutional Renewal Bill currently before the House, which is being considered by a Joint Committee, GCHQ has disappeared in a puff of smoke. When the first civil service commissioner, Janet Paraskeva, came before the PAC in April, she voiced her concerns about that. I am left wondering why the thousands of staff in the intelligence agencies are the only civil servants not to be covered by the draft Constitutional Renewal Bill. My invitation to the right

[Mr. Gordon Prentice]

hon. Member from East Hampshire and his colleagues on the Committee is that they should consider the issue, not close their minds to it. He should perhaps ask the Committee to take a view on the subject.

5.1 pm

Mr. David Lidington (Aylesbury) (Con): This has been a constructive debate. I start with a few words of tribute for the members of the agencies. We are dealing with a body of extremely dedicated public servants. They work hard on tasks of vital importance to our safety and the safety of our constituents. Many members of those agencies will, at times in their careers, have to risk their life and safety to protect our national interests. When they have successes against the enemies of this country, the thanks almost always have to be given behind closed doors, and the celebrations have to be held in secret. It is right that hon. Members on both sides of the House should express their thanks and pay tribute to the services today.

On behalf of Conservative Members, I thank the right hon. Member for Derby, South (Margaret Beckett) and her Committee for their work. It is probably accepted by everybody, at this stage of the debate, that criticisms about the limits on the powers of the Committee have not been intended as criticisms of the dedication or professionalism of the right hon. Lady and the members of her Committee. Having had the opportunity to shadow her a few years ago, I can vouch for the fact that she always behaved impeccably in respecting the traditions, conventions and powers of the House of Commons.

I thank the hon. Members for Stockton, South (Ms Taylor), and for Wirral, South (Ben Chapman), the right hon. Member for Knowsley, North and Sefton, East (Mr. Howarth), my right hon. Friend the Member for East Hampshire (Mr. Mates), and my hon. Friend the Member for Croydon, South (Richard Ottaway) for the work that they do, which, as we have heard frequently this afternoon, is unsung and unpublicised, although I am sure that it takes many hours and a great deal of concentration and effort.

I want to touch on a subject that has not been mentioned much, although the hon. Member for Eastleigh (Chris Huhne) referred to it and it is discussed on page 4 of the report, namely rendition, which was the subject of a special report by the ISC in July 2007. I welcomed the Foreign Secretary's statement on 3 July following the investigation by the United States authorities of allegations that flights had been used for rendition purposes. The Foreign Secretary was able to provide the reassurance that Secretary of State Rice had given him a clear pledge that rendition would not be attempted by the United States without the express agreement of the British Government. He provided the further assurance in that statement that, while cases would be considered on their merits, the Government will follow the principle that rendition is not allowed if it conflicts with the laws of the United Kingdom.

The Foreign Secretary's statement was welcome, but I wonder whether the Government will provide further reassurance by taking action to ratify the international covenant for the protection of all persons from enforced disappearance, which was adopted by the UN General Assembly in December 2006. In a written answer on 14 November 2007, Lord Malloch-Brown said that the United Kingdom had been active in promoting agreement on the convention, but that there had been a delay in the ratification process in this country. It has been suggested to me that genuine security concerns lie behind that delay. If so, I would be grateful for any light that the Foreign Secretary can throw on that matter. If the issue is simply stuck in a Whitehall pending tray, I hope that the right hon. Gentleman will use his influence to get the file out of pending as soon as possible and have work done to take that instrument forward.

This afternoon, the debate has centred on the extent to which it will be possible to strengthen parliamentary oversight of the Committee's work. To some extent, as my hon. and learned Friend the Member for Beaconsfield (Mr. Grieve) said, we must accept that activities involving the intelligence and security agencies now involve other agencies whose activities fall under the remit of parliamentary Select Committees.

My hon. and learned Friend cited the case of action against organised crime. Paragraph 32 of the ISC report states that the Secret Intelligence Service is transferring resources away from organised crime in order to focus on the priority of counter-terrorism and that it is transferring greater responsibility for such work to the Serious Organised Crime Agency. Paragraphs 37 and 38 of the report describe how the SIS and SOCA are co-operating against drugs traffickers and the global narcotics network. Such activity is certainly in this country's national interest, but there is a discrepancy. SOCA is subject to oversight by the Home Affairs Committee and the Public Accounts Committee, but the SIS is not subject to a departmental Select Committee or to the PAC.

Another anomaly concerns Northern Ireland, where the Police Service of Northern Ireland works closely with the Security Service at a new base in Belfast. Those PSNI officers are, through their chief constable, accountable in law to the Northern Ireland Policing Board. When the appropriate legislation was going through this House, we were told that there were to be protocols to define how the information and work shared between the Security Service and the PSNI should be handled when it came to accountability before the Policing Board. It would be interesting to know whether those protocols are operating successfully. There is an expectation, particularly in the nationalist community in Northern Ireland, that responsibility for policing and criminal justice will be devolved to the Northern Ireland Assembly. If that comes to fruition, the PSNI will include in its ranks officers working with the Security Service, which will report to a policing Minister in Northern Ireland, who might, at some stage in future, be a member of Provisional Sinn Fein. That illustrates the fact that, to some extent, the boundaries between the areas that are regarded as secret and subject to the ISC and those that are subject to other parliamentary or regional Assembly bodies are becoming a bit blurred.

I welcome the reforms that the Home Secretary announced, but the question is whether they go far enough. I agree with the hon. Member for Thurrock (Andrew Mackinlay) that three and a half hours' debate in 18 months on the vital work of the agencies is inadequate. I hope that Government business managers will take note of that and provide further opportunities for such debates to take place in the House more regularly.

I agree with my hon. Friend the Member for Croydon, South that the ISC's investigative capacity and resources should be enhanced. The more that the resources and investigatory powers of the ISC come to match those of the Public Accounts Committee, the better it will be for effective scrutiny by the ISC of the agencies, above all given the enhanced budget and increasingly important role that those agencies are playing.

The central question in much of the debate was the extent to which the ISC's proceedings can be made more open. Conservative Members accept that the key principle is that we must protect the effectiveness of the security and intelligence agencies in doing their job on behalf of the people of this country and in defending the national interests of the United Kingdom.

Mr. Winnick: We can all agree with that.

Mr. Lidington: I hear the hon. Gentleman saying that we can all agree on that central principle.

My hon. and learned Friend the Member for Beaconsfield pointed out that nowadays a diligent researcher is able to use the internet, or perhaps access the archives in Washington, to gain access to information that is being withheld from publication in the public version of the ISC's report. The hon. Member for Walsall, North (Mr. Winnick) reminded us that in the past 20 years we have come a long way from the time when even an explicit mention of a meeting with the director general of the Security Service had to be written in code on the Home Secretary's diary sheet. I hope that, in the context of a proper statutory reform of the ISC, we can push the envelope further and move, step by step, towards even greater openness than that which we have today.

5.13 pm

The Secretary of State for Foreign and Commonwealth Affairs (David Miliband): I thank all right hon. and hon. Members who have made this a constructive and useful debate. The ISC is, in a way, a very British institution as regards how it works and tries within the limits of our own practice to get the right degree of rigour in the scrutiny of Government and the agencies without compromising the vital work that they do. Let me put it on record that from the Government's point of view it is in our interest, never mind the country's interest, that that scrutiny is as rigorous as possible given the limits that need to exist.

I want to associate myself strongly with the remarks of all right hon. and hon. Members. Whether they have supported the Government's proposals or expressed qualms about them, all have praised the dedication, bravery and intelligence of our agencies, and I would like to second that very strongly. These people and the organisations that they work for have, for a long time, played a critical role in the defence of the country and the defence of the interests of every citizen of this country, and we are lucky to have them.

Overseas secret intelligence, which I obviously have more to do with than domestic intelligence, has given us a vital edge in tackling some of the most difficult security challenges that we face; the hon. Member for Aylesbury (Mr. Lidington) spoke about bravery, and he was right to do so. Very briefly, I would like to put it on record that I have known Alex Allan for 11 years now, and a couple of hon. Members referred to his recent illness and passed on their best wishes to him. I am delighted to say that he will be able to recognise the warmth and strength of that feeling when it is passed on to him in hospital. I am sure that we all wish him a speedy and full recovery from his illness.

I would also like to thank sincerely all members of the Committee that is led by my right hon. Friend the Member for Derby, South (Margaret Beckett), and my right hon. Friend the Member for Torfaen (Mr. Murphy), who was mentioned by my hon. Friend the Member for Stockton, South (Ms Taylor), for his efforts. The rigour with which they approach their task is important for the Government and the nation, and we are developing a balance of challenge and support that is appropriate for the difficult issues that we face.

I would like to pick up on as many as possible of the comments made by hon. Members without trying the patience of the House. In case hon. Members are worried, I am not planning to take us up to 6 o'clock—this will not be a Castro-length peroration, tempting though it is to engage in such a peroration about the reforms. The hon. Member for Croydon, South (Richard Ottaway) suggested that the reforms could not be classified as revolutionary, which is right, but that is partly because the system has strengths, and we want to build on those rather than up-end the system.

The Intelligence and Security Committee differs from parliamentary Select Committees for a simple reason: in order to carry out its work it needs access to highly classified materials. Unlike Select Committees, its deliberations, or at least most of them—I shall come back to the amendment of my hon. Friend the Member for Walsall, North (Mr. Winnick) in a moment—need to take place in a secure environment, behind closed doors. Its reports inevitably contain highly classified information, which is why the Prime Minister is the first to see them in their entirety and why versions laid before the House are redacted—a point that I shall also return to.

I shall start with the Government's proposal for a new Standing Order that would change the process of appointing hon. Members so that they would go before the House by means of the Committee of Selection, and right hon. and hon. Members would get to vote on them before their names were put to the Prime Minister for agreement. The Prime Minister will retain the final say on membership as he is ultimately responsible for and accountable to the House on matters of national security. It is right to make this reform in the interests of the openness and parliamentary accountability that hon. Members have referred to.

Mr. Kilfoyle: I do not think that the Foreign Secretary was in the Chamber for this part of the debate, but is there any reason why people cannot be nominated, elected and then vetted? Why does it have to be the other way around? Surely, that effectively means that the Prime Minister would retain the right to veto potentially for political reasons, not because someone is in some way unreliable.

David Miliband: The House will be able to judge clearly the merits of the case put to it by the Committee of Selection, and if a capricious decision were made after that, the House would be able to see it. The reform makes sense, and answers the case that has been made.

Let me address the point about the openness of hearings by heads of agencies, and the notion of such hearings taking place in open session. That process will not be straightforward, and the right hon. Member for East Hampshire (Mr. Mates), among others, has referred to that. We cannot put issues of national security or the safety of individuals—I underline that second point—at risk, and nor do we want to limit the type of evidence that the Committee can hear in order for it to operate in public.

The Government believe that there is scope for holding some sessions in public, and we want to make progress on that. However, we must protect national security, and in that context, the Government must consider when it is appropriate for evidence to be taken in public. Given our commitment to explore the matter with the ISC's Chairman and its members, I hope that my hon. Friend the Member for Walsall, North will not press his amendment, but hold us to account for our progress in developing some open sessions.

Next there is the anomaly of the ISC annual report being debated only here and not in the other place. That must change and I do not believe that anyone objects to that. Providing that the Chairman of the ISC should open the debate in the House is a worthwhile innovation.

Some questions have been asked about the ISC's resources. They have doubled in the past five years, but I heard the comments about the commitment of hon. Members of all parties to giving the ISC the resources that it needs. Obviously, they cannot be infinite, but we are committed to ensuring that the Committee has what it needs to carry out its duties effectively. We are happy to work with the Committee on an independent investigator.

Let me consider staffing and amendment (a), which my hon. Friend the Member for Thurrock (Andrew Mackinlay) tabled. Appointments are made to the secretariat through free and fair competition. As the right hon. Member for East Hampshire made clear, it is open to a Clerk of the House or anyone else to apply for a job with the ISC. All staff, whether ISC or not, would be on civil service terms and conditions. However, we cannot accept the amendment because it would not be appropriate for staff who work for a Committee, which reports directly to the Prime Minister rather than to Parliament—as is essential, given the nature of the ISC and its work—to be under the authority of the Clerk of the House. I therefore hope that my hon. Friend will not move his amendment. Once we have agreement about the fundamental basis of the ISC, I do not understand how his proposal is practical.

Andrew Mackinlay: If my amendment were accepted, it could clearly only flag up what must be included in primary legislation. All the difficulties that my right hon. Friend raises can be overcome by discussion, so that the Clerk remains the Clerk of the House of Commons, but the Committee could still answer directly to the Prime Minister. I shall not trespass into that argument.

David Miliband: I am grateful for my hon. Friend's attempt to find common ground, but he is effectively saying that we do not need to accept the amendment to continue thinking about whether primary legislation is necessary. On that basis, I look forward to his not moving the amendment and to continuing the constructive discussions.

Offices have taken up more of the debate than I expected. The ISC needs secure accommodation to carry out its duties. We have no proprietorial commitment to its meeting in the Cabinet Office or elsewhere, but we are examining the matter with an open mind.

Let me deal with some individual points. Several hon. Members referred to reports in *The Guardian* about UK complicity in the torture of UK nationals detained in Pakistan—an extremely serious charge. The Security Service has checked for any relevant information in the light of the media allegations and informed me that there is nothing to suggest that it has supported torture in Pakistan or anywhere else. The Government's position is clear: we unreservedly condemn the use of torture. We take allegations of mistreatment extremely seriously and would follow up all such allegations very carefully. Of course, as my right hon. Friend the Member for Derby, South said, individuals who feel that their human rights have been infringed by the intelligence services can take their case to the investigatory powers tribunal.

Redaction has also been mentioned. The right hon. Member for East Hampshire said that no redaction has ever been made without the Committee's consent. The Government are committed to ensuring that that always remains the case. It is a positive development and there is no reason for it to be compromised.

On the SCOPE computer system, phase 1 provides an operational shared service to a range of Departments, including the intelligence agencies. The enhanced SCOPE infrastructure will continue to play a central role in the way in which the Government share sensitive information securely. As my right hon. Friend the Home Secretary said and the ISC noted in its annual report, the programme has already delivered significant benefits to the wider community through phase 1 and has been instrumental in improving policymaking and operational efficiency.

My hon. Friend the Member for Wirral, South (Ben Chapman) made an interesting venture into electronic cyber-attack—I think that he knows more about that than he let on; let us put it that way—but he did not mention the Centre for the Protection of National Infrastructure, which is available to the private sector from the Government and to Government through GCHQ, and which co-ordinates a range of briefings and efforts to ensure that we are protected.

In respect of the focus on terrorism, which I do not think any hon. Member has questioned, I have seen no evidence to suggest that our efforts to secure our country have been compromised in other areas as a result of that focus, although that is obviously something that we must continue to watch.

Finally—I hope that I am not getting on the wrong side of the deputy Chief Whip here—the hon. Member for Aylesbury (Mr. Lidington), who speaks for the Opposition, asked about rendition. Although I am tempted to wait for another 35 minutes and see whether those in the Box can produce an answer to his question about the UN convention on enforced disappearances, I am afraid that one has not yet arrived. I hope that he will allow me to write to him with details of where in the Foreign Office's pending tray the issue lies. Subject to that, I am happy to admit that I am unable to provide him with an immediate answer.

The House is agreed that the intelligence agencies play a vital role. We are agreed that we need strong and rigorous independent questioning and scrutiny by the ISC. We are agreed that Parliament should play a greater role—

Mr. Grieve *rose*—

David Miliband: This is my Castro-length peroration and it is a little unfair to intervene, but I shall give way to the hon. and learned Gentleman.

Mr. Grieve: I am grateful to the Foreign Secretary and I apologise for interrupting his peroration. I appreciate that, for good reason, he was not in the Chamber when I raised the SCOPE project—*[Interruption.]* In that case, I apologise to him; neither I nor my hon. Friend the Member for Aylesbury (Mr. Lidington) heard him mention it.

David Miliband: It is understandable when someone who is not in the Chamber does not hear what is said; it is more worrying when someone who is in the Chamber does hear what is said. I hope that the hon. and learned Gentleman was neither talking to his neighbour nor snoozing through the most gripping part of my speech, but perhaps I did not enunciate it clearly enough.

The system that we have is one that we should build on. It is one that the Government are determined to reform. We want to reform it with the support of the whole House, as I think has been demonstrated today. I commend our proposals to the House.

Question put and agreed to.

Resolved,

That this House has considered the matter of the Annual Report of the Intelligence and Security Committee for 2006-07, Cm 7299, and the Government response, Cm 7300.

REFORM OF INTELLIGENCE AND SECURITY COMMITTEE

Motion made, and Question proposed,

That this House endorses the proposals for the reform of practice and operation of the Intelligence and Security Committee as set out in paragraphs 235-244 of the Governance of Britain White Paper, Cm 7342-I, including provision for nomination of the members of the Committee drawn from the House of Commons to be based in future on proposals made by this House.—*[David Miliband.]*

Amendment proposed: (a), at end add:

"; and considers that the secretariat of the Intelligence and Security Committee should be staffed by officials under the authority of the Clerk of the House."—*[Andrew Mackinlay.]*

Question put, That the amendment be made:—

The House divided: Ayes 32, Noes 205.

Division No. 266] **[5.28 pm**

AYES

Abbott, Ms Diane
Binley, Mr. Brian
Breed, Mr. Colin
Clapham, Mr. Michael
Cook, Frank
Corbyn, Jeremy
Drew, Mr. David
Field, rh Mr. Frank
Galloway, Mr. George
George, Andrew
Gerrard, Mr. Neil
Goldsworthy, Julia
Grogan, Mr. John
Hancock, Mr. Mike
Harris, Dr. Evan
Havard, Mr. Dai
Heathcoat-Amory, rh Mr. David
Hollobone, Mr. Philip
Howarth, David
Huhne, Chris
Jones, Lynne
Kilfoyle, Mr. Peter
Mackinlay, Andrew
Mullin, Mr. Chris
Prentice, Mr. Gordon
Rennie, Willie
Skinner, Mr. Dennis
Smith, Sir Robert
Vaz, rh Keith
Wareing, Mr. Robert N.
Winnick, Mr. David
Younger-Ross, Richard

Tellers for the Ayes:
David Taylor and
Kelvin Hopkins

NOES

Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Bailey, Mr. Adrian
Baird, Vera
Balls, rh Ed
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Bell, Sir Stuart
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blears, rh Hazel
Blizzard, Mr. Bob
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, rh Mr. Nicholas
Browne, rh Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Campbell, Mr. Alan
Caton, Mr. Martin
Cawsey, Mr. Ian
Chapman, Ben
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Coaker, Mr. Vernon
Coffey, Ann
Cooper, Rosie
Cooper, rh Yvette
Crausby, Mr. David
Creagh, Mary
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Davies, Mr. Quentin
Dean, Mrs. Janet
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Doran, Mr. Frank
Dowd, Jim
Eagle, Angela
Eagle, Maria
Ellman, Mrs. Louise
Fitzpatrick, Jim
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Gardiner, Barry
George, rh Mr. Bruce
Gibson, Dr. Ian
Gilroy, Linda
Goggins, Paul
Goodman, Helen
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Patrick
Hanson, rh Mr. David
Harman, rh Ms Harriet
Healey, John
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hope, Phil
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Iddon, Dr. Brian
Illsley, Mr. Eric
Irranca-Davies, Huw
James, Mrs. Siân C
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Mr. Kevan
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Khan, Mr. Sadiq
Kidney, Mr. David
Knight, Jim

Ladyman, Dr. Stephen
Lammy, Mr. David
Laxton, Mr. Bob
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacShane, rh Mr. Denis
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCartney, rh Mr. Ian
McDonagh, Siobhain
McFadden, Mr. Pat
McGovern, Mr. Jim
McIsaac, Shona
McNulty, rh Mr. Tony
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Miliband, rh David
Miliband, rh Edward
Miller, Andrew
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Munn, Meg
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Owen, Albert
Palmer, Dr. Nick
Plaskitt, Mr. James
Prentice, Bridget
Primarolo, rh Dawn
Prosser, Gwyn
Purnell, rh James
Raynsford, rh Mr. Nick
Reed, Mr. Jamie
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, rh Joan
Seabeck, Alison
Sharma, Mr. Virendra
Shaw, Jonathan
Simon, Mr. Siôn
Slaughter, Mr. Andy
Smith, rh Mr. Andrew
Smith, Ms Angela C.
(Sheffield, Hillsborough)
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stoate, Dr. Howard
Straw, rh Mr. Jack
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Taylor, Ms Dari
Thomas, Mr. Gareth
Thornberry, Emily
Timms, rh Mr. Stephen
Todd, Mr. Mark
Touhig, rh Mr. Don
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, rh Keith
Vis, Dr. Rudi
Walley, Joan
Ward, Claire
Watson, Mr. Tom
Whitehead, Dr. Alan
Wicks, Malcolm
Wills, Mr. Michael
Wilson, Phil
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Mr. Dave Watts and
Mr. Wayne David

Question accordingly negatived.

Resolved,

That this House endorses the proposals for the reform of practice and operation of the Intelligence and Security Committee as set out in paragraphs 235-244 of the Governance of Britain White Paper, Cm 7342-I, including provision for nomination of the members of the Committee drawn from the House of Commons to be based in future on proposals made by this House.

Madam Deputy Speaker (Sylvia Heal): Does the hon. Member for Walsall, North (Mr. Winnick) wish to move his amendment?

Mr. Winnick: On the basis of what the Government have said, I shall not move my amendment.

MEMBERSHIP OF INTELLIGENCE AND SECURITY COMMITTEE

Ordered,

That the following new Standing Order be made:

Members of the Intelligence and Security Committee

(1) The Committee of Selection may propose that certain Members be recommended to the Prime Minister for appointment to the Intelligence and Security Committee under section 10 of the Intelligence Services Act 1994.

(2) No motion may be made for the House to agree to a proposal under this order unless—

(a) notice of it has been given at least two sitting days previously; and

(b) it is made on behalf of the Committee of Selection by the chairman or another member of the committee.

(3) Paragraph (1) (c) of Standing Order No. 15 (Exempted business) shall apply to any motion made under this order.—*[David Miliband.]*

PETITION

Road Safety (Norfolk)

5.40 pm

Christopher Fraser (South-West Norfolk) (Con): I am delighted to present a petition on behalf of my constituents in south-west Norfolk, who are concerned about safety on roads through our villages, which can be narrow and winding. Those roads cannot cope with the speed, weight and volume of traffic that uses them. The residents live in fear of traffic accidents, particularly involving children who use the roads to walk to and from school. The petition is signed by more than 2,000 of my constituents, but many more support its principle. It has my absolute support.

The petition states:

The Petition of residents of South West Norfolk,

Declares that the safety of children and other pedestrians outside schools is vital; that the numbers of road fatalities per year is far too high, that the roads outside schools are particularly sensitive areas; that reducing the speed limit on roads past schools would be an effective way of addressing this.

The Petitioners therefore request that the House of Commons urges the Government to consider reducing the national speed limit from 30 miles per hour to 20 miles per hour outside schools.

And the Petitioners remain, etc.

[P000243]

Burton on Trent Brewing Museum

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Blizzard.]*

5.42 pm

Mrs. Janet Dean (Burton) (Lab): I am grateful for the opportunity to mention the importance of Burton's brewing museum not only to local people but nationally and internationally. Burton on Trent grew out of the brewing industry, which developed because of the quality of the area's water, and it still produces splendid beer.

In 1977, centuries of brewing in Burton were recognised when the Bass museum was opened to celebrate the bicentenary of Bass. At that time, the museum was housed in the grade II three-storey building known as the joiner's shop. In the 30 years since then, the museum has grown and it now occupies several buildings on the site. There is not only a large gallery that describes the brewing process, but a library, archive and educational facilities, paddocks and stables for the shire horses, a Robey steam engine and vintage road and rail vehicles.

In 2002, Coors Brewers acquired the museum following the company's purchase of the Bass brewery from Interbrew. However, the Bass name remained with Interbrew and, in 2003, the museum was renamed the Coors visitor centre and museum of brewing. Sadly, in March, Coors announced that it could no longer continue to fund the museum and that it would close at the end of June. That announcement was met with great sadness, some anger and a demand for a way forward to be found to save the museum.

The messages of support for the museum that I received came from throughout the UK and from other countries, including France, Canada and America. Both local and national organisations contacted me. I was grateful that the local paper, the *Burton Mail,* launched a petition, which gathered thousands of signatures and was presented to my right hon. Friend the Minister of State, Department for Culture, Media and Sport, who is the Minister responsible for culture, creative industries and tourism.

I have received e-mails from relatives of those who established the museum, and from those who just wished me good luck or asked me to save the museum. I also received messages reflecting the museum's importance, saying that it enables local people to find a sense of their own history and connect it with their heritage. Another e-mail referred to the museum by describing the history of brewing in Burton as the foundation on which the town was built and the museum's closure as damaging to the local economy. A former Burtonian living in New Jersey referred to having brought small groups of Americans to Burton to visit both Marston's Brewery, with its unique Burton Union system, and the museum of brewing, which was described as the highlight of the trip.

Given so many messages of support for the museum, I felt that it was important to draw together the many organisations that had contacted me, so I organised a meeting at the Coors visitor centre at the end of March. I expected there to be about 20 people at that meeting, but, in fact, 36 attended, including representatives of the following: Coors; Museums, Libraries and Archives West Midlands; Advantage West Midlands; Staffordshire county council, East Staffordshire borough council; the Campaign for Real Ale—CAMRA; the British Guild of Beer Writers, the chamber of commerce; Burton rotary club; local businesses; and local newspapers.

From that meeting, a steering group was formed to take forward the development of an options appraisal. One of the key issues raised at the first meeting was the proposed date for closure of the museum and the lack of time to secure a rescue. There was also concern that the artefacts might be dispersed. Therefore, following that meeting, I wrote to Coors asking whether the closure could be delayed and whether Coors would be prepared to make a financial commitment to the museum's future operation. I was pleased that before the first steering group meeting, I received a response from Coors saying that it would be willing to contribute ongoing costs of up to £100,000 per year, as well as the lease of the museum buildings at a peppercorn rent. On top of that, Coors would also be prepared to donate a one-off, match-funded payment of up to £200,000 to a new organisation running the museum. Although Coors could not delay the closure of the museum beyond the end of June, it agreed to keep the museum's artefacts and contents intact until the end of the year, so that a plan could be developed to re-open the centre to the public. Coors also agreed to continue to provide curatorial support until the end of the year to ensure the preservation of the collections, and the shire horses would also be retained during that time.

The steering group agreed to appoint consultants to produce an options analysis and their final report was released this week. I want to express my thanks to East Staffordshire borough council and Advantage West Midlands for agreeing jointly to fund the consultants, and to Staffordshire county council for agreeing to provide administrative and communications support for the steering group, as well as providing the Coors visitor centre and museum of brewing with staff time to catalogue the extensive archives held on site. I would particularly like to thank Jon Finch, chief executive of Museums, Libraries and Archives West Midlands, for his tremendous support and guidance over the last few weeks. I feel sure we would not have made the progress that we have without him on board.

The report from Jura Consultants provided a way forward for the museum, and at the last meeting of the steering group, we agreed to ask the key stakeholders—Coors, East Staffordshire borough council and Staffordshire county council—to meet to endeavour to produce a business plan. The consultants' report examined the aims and objectives for the future operation of the centre, which include the future contribution the museum can make to tourism and to the regeneration of Burton, finding a financially viable future for the centre, and the necessity to protect the collections, both the objects and the archives.

The consultants' report describes the collection by saying:

> "The collections held at the Coors Visitor Centre are the most significant collection of brewing related objects in Britain. Furthermore, the archive, which comprises the core administrative, financial, production and employment records of Bass and of the many companies from all over the UK absorbed by Bass over decades, is of national significance. It is therefore important that any future of the Coors Visitor Centre should ensure the collections are protected. The value of the collections could also be diminished if they were to be split up".

[Mrs. Janet Dean]

The museum's collection includes not only brewing and malting equipment, brewery transport and specialist items, such as coopering tools, but packaging and historic advertising items—ceramics, glassware, artwork and mirrors. It is also a repository for the Burton town museum, which closed several years ago. It therefore reflects both our local and national heritage.

The importance of the brewing museum in Burton to our national heritage is reflected in articles that have appeared in national publications. In *The Guardian*, Roger Protz, editor of the Campaign for Real Ale's "Good Beer Guide" wrote an article entitled "A Beery Past Imperilled". He said:

> "Great brewing nations celebrate the contribution beer has made to their development as civilised societies with dedicated museums. The Czech Republic has two; Belgium, Denmark, the Netherlands and Poland have one each. Even tiny Slovenia has a brewing museum...while the Guinness Storehouse in Dublin attracts a million visitors a year."

He went on:

> "But Britain stands to lose its sole major brewery museum in June when Coors closes its visitors centre in Burton-on-Trent...Brewing is one of the last major British industries. It makes a sizable contribution to the wealth of the nation."

The article described the history of Burton, saying:

> "Burton-on-Trent became an important brewing centre as early as the 11th century, when the monks of Burton Abbey were encouraged to make ale for the Earl of Mercia—aided by a constant supply of pure hard spring water from the Trent valley. It was this water, allied to new technologies of the industrial revolution, that enabled brewers in the town to fashion a groundbreaking, globally exported style of beer: pale ale."

The article continued:

> "The small town of Burton heaved with breweries and their armies of workers. The brewers developed their own private railways to feed into the new national network. When St. Pancras station was built in London in the 1860s, its cellars were designed to take great wooden hogsheads of Burton ale..
>
> All this history is brilliantly depicted in the Museum in Burton and shows how beer and brewing are part of the warp and weft of British society."

I should like to thank Roger Protz for his outspoken support for the museum in Burton and for his vision of its development into a truly national museum of brewing. The chair of the British Guild of Beer Writers, Tim Hampson, wrote a letter to *The Guardian* in support of the museum. He said:

> "Burton-on-Trent is quite simply one of the greatest brewing towns the world has ever seen... If it closes, we would lose an invaluable, unique resource and be denied the only real large-scale beer tourist attraction in the country. The collection is priceless and inimitable."

He added:

> "The collection of artefacts should be kept with the archives. Nothing on its scale exists anywhere else in Britain. And Burton is the natural place to keep it. Burton and the museum are intertwined and it is essential that we try to preserve the heritage, not only of the brewing industry, but of the town. Coors must give the project to create a National Museum of Brewing something almost as valuable as the collection itself—time."

Although the museum closed its doors to the general public on 30 June, I welcome Coors' commitment to keeping everything intact until the end of 2008. I understand that, if significant progress can be made towards finding a new operator for the museum, then an extension to the company's commitment could be forthcoming. However, we need to make speedy progress.

The steering group asked the key stakeholders to consider three options put forward by Jura Consultants. All the options would involve using the whole site, and would therefore be able to secure the £100,000 per year financial commitment from Coors, but all would need an operating subsidy of between £140,000 to £256,000 per annum. Each of the options would provide the potential to develop the museum and to seek national status. The consultants' report says:

> "Even without national status, the museum would be the premier brewing museum in the UK and an important facility for those wanting to understand, research and enjoy the UK's brewing heritage."

The report continues:

> "One further issue regarding national status is that this could lead to the Coors visitor centre attracting significant collections leading to exciting new displays, which in turn would have the potential to attract additional visitors."

I very much hope that the many messages of support for the museum, locally and nationally, can now be messages of financial commitment in order to take forward the new operation of the museum, possibly as an independent charitable trust. When my right hon. Friend the Minister of State met a delegation at my request, she offered to contact brewers who might be willing to support the museum. She also mentioned the possibility of support through the Heritage Lottery Fund and Renaissance funding. Local people have suggested voluntary fund raising and at this point I should like to thank all the volunteers who have supported the museum over the years. All those forms of funding can help to sustain and improve it in future years, but a secure stream of revenue of funding is needed to take the project forward. For that, I believe that we must look to both local government and industry. East Staffordshire borough council has, as one of its priorities, the encouragement and development of local prosperity and Staffordshire county council includes in its priorities economic development and enterprise and sustainable development. Advantage West Midland's strategic objectives include attracting more visitors from outside the region. I feel that all these priorities could be helped by support for the brewing museum.

I also urge the brewing and pub industry to come forward with offers of financial support. I know that these are not easy times for the industry, but this is a golden opportunity to have a museum that reflects the industry as a whole. When the museum was run by only one brewer, it could not be a national museum, nor could it draw down financial support from the lottery and other bodies. The opportunity is now there to develop a national museum of brewing. This is a one-off opportunity, and one that we cannot afford to miss.

I urge any local and national organisations linked with the brewing industry, or in the case of local bodies, concerned for the future of the town of Burton on Trent, to come forward and make a long-term commitment to the financial support of the museum, subject of course to its becoming an independent museum. If all the disparate organisations—business, local government and other groups—can join together, both the financial burden and, in a sense, ownership of the museum can be shared.

I have tried to involve all those organisations that contacted me to support the museum in discussions about its future. I hope that we now can see a united effort to secure the funding to take the museum forward as a national museum of brewing. I look forward to hearing from the Minister about any further help or advice he can give us.

5.56 pm

Mr. Bob Laxton (Derby, North) (Lab): I congratulate my hon. Friend the Member for Burton (Mrs. Dean) on her campaign to keep the Bass brewery open. Forty-odd years ago, when Burton was still the brewing capital of the world, and still producing magnificent beers, a few fairly rumbustious friends and I used to travel to Burton by train. I well remember Burton at the time. It used to smell of three things: gasworks, breweries and Marmite. Marmite is still there—the factory is still there, as far as I am aware.

Mrs. Dean: I think that Burton no longer smells of the gas; it still smells of Marmite and brewing.

Mr. Laxton: It still smells of breweries and Marmite—great place.

Here is one of my memories of those days. I was a pint drinker; we drank beer in pints in Derby. I had the unique experience of going into a public house in Burton—I think it was called "The Derby Turn" because, coming from Derby, we would go into "The Derby Turn"—and saying, "I'll have a pint of Bass, please", and hearing the whole public house go absolutely silent. I could not understand it, but the reason was that in Burton people did not drink pints; they only ever drank half pints. Why? Bass and all the breweries round there brewed a flat beer, and the view was that if you had a pint, by the time you got to the bottom it would have gone flat, so you only drank out of half-pint glasses. It was absolute sacrilege for anyone to come in and order a pint.

Sadly, Bass's brewery, as such, has gone, it having been bought out by Coors. The chimney with "Bass" lit up at night has gone: that has now, I think, been replaced by "Coors". It is sad, but a fact of life.

Mrs. Dean: My hon. Friend may not be aware that draught Bass is currently brewed at Marston's.

Mr. Laxton: I was well aware that Bass is still brewed. People can still get good copperhead Bass. It is still excellent quality, but it is brewed at Marston's brewery. For those who want to be technical, the Union brewery process is used to make another excellent beer—Marston's Pedigree—but, thankfully, Bass is also brewed there. It would be an absolute tragedy if almost the last name of Bass departed as a result of the museum closing. The Minister should take the opportunity to visit it if, as I hope, it reopens.

It being Six o'clock, the motion for the Adjournment of the House lapsed, without Question put.

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Blizzard.]*

Mr. Laxton: The Minister ought to take the opportunity to visit the museum. I have heard little rumours—they might be malicious—that he has been occasionally seen imbibing alcohol, namely beer, in odd places around here. He should go to Martson's brewery and sample a good half pint of Marton's Pedigree, followed by an excellent half pint of copperhead Bass—wonderful; the elixir of life. It would be tragedy if the museum were to stay closed. It should reopen. It is part of industrial history, not just for Burton, but for all those people who like good-quality beers, as opposed to some of the noxious rubbish that we are sometimes forced to imbibe in various parts of the world. Magnificent beer; magnificent history; magnificent brewery; and I shall give whatever support I can to my hon. Friend the Member for Burton to ensure that the Bass museum continues to survive for hundreds of years.

6.1 pm

The Parliamentary Under-Secretary of State for Culture, Media and Sport (Mr. Gerry Sutcliffe): I congratulate my hon. Friend the Member for Burton (Mrs. Dean) on securing this debate and on leading the campaign to save the brewing museum in Burton on Trent. I am delighted to have had the educational experience of hearing my hon. Friend the Member for Derby, North (Mr. Laxton) in support of my hon. Friend the Member for Burton, both of whom are members of the all-party beer group. Indeed, the chairman of that group, my hon. Friend the Member for Selby (Mr. Grogan) is with us now, so this is indeed an important debate on a serious issue.

As my hon. Friend the Member for Burton has rightly pointed out, there is centuries of brewing heritage in Burton on Trent, with many important brewery buildings and, until very recently, a brewing museum. As she has said, Burton is synonymous with brewing. Great brewing names, such as Bass, Worthington, Ind Coope and Charrington, all had links to Burton, thus making it the brewing capital of the world in the 19th century. By the close of that century, I understand that some 87 miles of private brewery railway lines criss-crossed the town, with 32 level-crossing gates controlling the movement of freight across public roads.

Even today, there are still brewery businesses in the town, including Coors and Marston's, and the town's brewing heritage continues to be celebrated in the name of the local arts centre and the nickname of the local football team—the Brewers—to name but two. So it is not surprising that the people of Burton signed a petition in their thousands to save the museum from closure and came on to the streets to protest against the closure, with the support of their local newspaper.

Clearly, it is disappointing that Coors could not keep the visitor centre and museum running as a going concern, but I would rather focus on the future than on the past. Yes, the museum may be closed for now, but that should not be the end of the story. The Minister of State, Department for Culture, Media and Sport, my right hon. Friend the Member for Barking (Margaret Hodge), met my hon. Friend and local representatives on 16 June. Both my right hon. Friend and my right hon. Friend the Secretary of State for Culture, Media and Sport are keen to see the museum reopen in some form. The Museums, Libraries and Archives Council—the MLA—which is the DCMS's strategic body for the sector, is advising a steering group on the options that are available. As was reported in the *Burton Mail*, we do believe that saving the museum is possible and that the setting up of a charitable trust and then fundraising is a fight worth fighting. My right hon. Friend the Member for Barking has said that she will write to the major brewers in this country to seek their financial support for a national museum of brewing. This is not simply

[Mr. Gerry Sutcliffe]

about rebadging the Coors visitor centre under a new name; it has to be about celebrating and explaining the role that brewing and pubs play in underpinning our communities.

The new museum must tell the story of brewing in the community of Burton and its importance for the country as a whole. As a nation, we take our beer pretty seriously, and a national brewing museum has the potential to be the public front door for the brewing industry and its impressive history. When the museum reopens, I shall take up the invitation of my hon. Friend the Member for Derby, North and visit it.

However, first the stakeholder steering group needs to assess what needs to happen to make the museum a viable proposition. That includes arriving at a good, solid, sustainable business plan with a broad range of long-term funding partners behind it. Those will need to include not just Coors, the other brewers and the wider brewing fraternity, but the local authorities—Staffordshire county council and East Staffordshire borough council. As local authorities, they should consider the value that they place on the museum and whether they can contribute to its future, as I understand that there has not been a local authority-backed museum in the town since the 1980s. Support could also come from the regional development agency, Advantage West Midlands, which has the strategic leadership role for the tourism economy in the region. For instance, there could be scope for marketing the museum as a visitor attraction, alongside the national forest, to draw in visitors to the area.

The new brewing museum should work towards achieving the museum accreditation standard. Accreditation is about a minimum standard of service delivery and public accountability and more than 1,800 museums across the United Kingdom have so far achieved it. Whether a museum has accreditation is a factor in the Heritage Lottery Fund's assessment of funding applications from museums. East Staffordshire is a priority area for the fund. Only accredited museums can receive funds from the Museums, Libraries and Archives Council-Victoria and Albert Museum purchase grant fund.

The Department for Culture, Media and Sport can also play its part through the Renaissance programme for regional museums, which is managed by the MLA. The Renaissance programme received an index-linked settlement in the comprehensive spending review and the programme includes the Museum Development Fund, which provides advice and support to the museum community in the west midlands. Once the museum is a going concern, it could use Renaissance in the west midlands to build its audiences and develop its strengths. The new brewing museum will also need to earn its own income from entry fees and other commercial activity. The working group is considering whether corporate and private hospitality and conferencing could help cross-subsidise the museum. Other ideas have included setting up an further education school of brewing as a centre of excellence.

Gaining charitable trust status could also help in winning public grant funding and make the museum more attractive to private and philanthropic giving and local entrepreneurs. However, competition for resources is tough. More than half the museums in this country are independent; they range from small local organisations, mainly operated by volunteers, to larger national organisations such as the Ironbridge Gorge museum or Chatham historic dockyard. The museum will have to operate within the resources that are ultimately available to it, and volunteers will have an important role to play in developing the museum and its visitor programme over time.

The coming months will be a challenge for the steering group. I am optimistic in my support for the points made by my hon. Friend the Member for Burton and for the wider industry. The enthusiasm of the people of Burton on Trent gives us the opportunity to ensure that the wider community of people in this country, who are passionate about beer and brewing, can have a museum of which they are proud. I hope that we can assist the stakeholder group and that my hon. Friends will keep up the pressure to try to get the museum open again.

Question put and agreed to.

Adjourned accordingly at nine minutes past Six o'clock.

House of Commons

Monday 21 July 2008

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

DEFENCE

The Secretary of State was asked—

British Forces (Attacks)

1. **Mr. Greg Hands** (Hammersmith and Fulham) (Con): What recent assessment he has made of Iranian military involvement in attacks on British forces overseas. [219807]

The Secretary of State for Defence (Des Browne): Elements of the Iranian regime provide munitions and training to Shi'a militia in Iraq and arms and funding to the Taliban in Afghanistan. In addition they fund and assist armed groups in the Lebanon and in the occupied Palestinian territories. That not only poses a threat to British forces serving in operations but destabilises the security of the region. Iran can either act responsibly, cease support for terrorism and play a constructive role in Iraq or Afghanistan or face the consequences of not doing so—and it must be clear that that will mean increasing isolation.

Mr. Hands: It appears that Iranian involvement in the insurgency in Iraq is, thankfully, diminishing after the recent effort of Iraqi forces supported by US ground troops, but has the Secretary of State seen any evidence of a change in tactics by Tehran and an increase in Iranian involvement in attacks on NATO forces in Afghanistan?

Des Browne: There is no evidence of such a change having taken place. The hon. Gentleman is right to recall that there has been a decrease in Iran's apparent interference in Iraq's internal affairs, which is a consequence of a number of things, including the effectiveness of Iraqi security forces against those agents and others involved in activity in southern Iraq and the growing strength of the Iraqi Government and their direct involvement with the Iranians, helping to change their behaviour. We of course keep the situation in Afghanistan under constant review, but there is no evidence of increasing interference.

Mr. David Crausby (Bolton, North-East) (Lab): Is my right hon. Friend completely satisfied that British naval forces carrying out legitimate boarding operations within the Gulf are prepared for aggressive attacks by Iranian forces?

Des Browne: I think that my hon. Friend might have had an opportunity to ask that question directly when members of the Select Committee recently visited that part of the world and spoke to our forces there. I am sure that the answer he would have received is that steps put in place significantly to increase the protection of our sailors in that part of the Gulf—after the regrettable incident when sailors were taken captive—are proving increasingly effective.

Bob Spink (Castle Point) (UKIP): What assessment does the Secretary of State make of the linkage between Iranian military and Iraqi militia groups, which have been trained—by the allied forces, of course—armed and put on the street to help the security forces?

Des Browne: There were at one stage some concerns that militia had infiltrated Iraqi security forces. The hon. Gentleman and others will know that when General Mohan was in charge of troops in Basra, steps were taken to ensure that the majority of recruits to the 14th division, which grew out of the 10th division of the Iraqi army, did not come from the Basra area. The fact that the troops could not be intimidated may well account for the dramatic effect of the deployment of the 14th division to Basra.

Helicopters

2. **Sir Nicholas Winterton** (Macclesfield) (Con): What recent assessment he has made of the availability of helicopters for deployment in Afghanistan and Iraq. [219808]

7. **Andrew Selous** (South-West Bedfordshire) (Con): If he will increase the number of helicopters available for the use of UK troops in Afghanistan. [219813]

The Secretary of State for Defence (Des Browne): In my written statement on 20 May, I set out in great detail the considerable efforts we are making on this issue. We have increased helicopter flying hours in Afghanistan by over a third since March last year, including uplifts to Chinook and Apache hours; we have deployed upgraded Sea King helicopters there as well, and we are converting eight Chinook helicopters to a support role. The Merlin helicopter is deployed to Iraq; the six additional Merlin aircraft that we procured from Denmark will augment our fleet by 25 per cent.

Sir Nicholas Winterton: Helicopters are essential for our hugely important operations in Afghanistan, and there is a shortage of them. I recognise that some eight Chinooks, six Danish Merlins and the upgraded Sea Kings with Carson blades are on track to Afghanistan, but has the Ministry of Defence indicated to any of our armed services its willingness to procure light helicopters on their behalf? If so, what response has it had?

Des Browne: The hon. Gentleman will know that over and above the specific steps that we are taking in this coalition operation, others among our allies are taking steps. For completeness, the House should know that to support operations in Afghanistan, the Canadians—I spoke to their Defence Minister recently—have bought six additional Chinooks and eight Griffin helicopters. In the interim, while fitting out those Chinooks for deployment, they are leasing eight Mi-17s. Therefore, the number of frames, and consequently the hours available, will be subject to a significant uplift in Afghanistan.

The hon. Gentleman is right that light helicopters play an important operational role, particularly for surveillance purposes, although they can be used for other purposes. The helicopter that we currently use is known as the Lynx helicopter, and he will know that that does not perform most efficiently in the environment of Afghanistan. We look to our allies for such support, but for that surveillance role we also use the heavier Sea King helicopter, which, when rebladed, performs well in that environment.

Andrew Selous: Will the Secretary of State tell the House what lessons the Government have learned from their decision in 2004 to cut £1.4 billion from the helicopter budget, so that Parliament is never again asked to send British troops into combat without the necessary helicopter support? Will the situation get better across all three services over the next three years?

Des Browne: I am pleased to tell the House that over the next 10 years the Ministry of Defence intends to invest some £6 billion to replace and enhance our helicopters. Over the same period, we will also try to reduce the maintenance burden. That is a significant investment, which addresses directly the hon. Gentleman's point.

David Taylor (North-West Leicestershire) (Lab/Co-op): In 2004, the Public Accounts Committee described the acquisition of the eight Chinook mark 3 helicopters for £259 million as one of the worst examples of equipment procurement it had ever seen. Since then, we have seen the reversion project and the night enhancement package, which will push the total cost well above £500 million. Will the Secretary of State tell us what lessons have been learned from the whole saga? When will we see the eight Chinook mark 3 helicopters fully operational in Afghanistan and elsewhere?

Des Browne: The work done on the Chinook helicopters is on track and on budget. The work having been completed, it is intended that the first helicopter will be released early in 2009, and the rest will become available progressively thereafter. They will enhance our existing fleet of Chinook helicopters, and my written statement to the House on 20 May set out the detail of how we intend to deploy them.

My hon. Friend asks what lessons have been learned. The lesson that should be learned is not to overcomplicate our procurement. We did not order the helicopters, but when they were delivered they were of such complexity that they could not be certificated as safe to fly under the then regulations. After valiant attempts to overcome that, when I became Secretary of State I took the decision that they would be better converted to mark 2 Chinooks. That was the right decision, as subsequent reports have confirmed.

Mr. Douglas Carswell (Harwich) (Con): Given the shortage of helicopters in Afghanistan, does the Secretary of State think that it was wise to award a £1 billion contract to build the Future Lynx helicopters at twice the cost of the alternatives—and they will not be ready for years—and without a full competitive tender process?

Des Browne: I was not involved in the detail of the awarding of that contract, so I am not in a position to respond to him on the detail of the negotiations in that regard. The hon. Member for Macclesfield (Sir Nicholas Winterton) mentioned the importance of light helicopters in the battlefield, and the answer lies in our need for proper surveillance of battlefield circumstances. As in every aspect of the equipment that we use, our experience in the battlefield environment teaches us all sorts of lessons, and we have learned a lot in Afghanistan, particularly about the use of other forms of intelligence, surveillance, target acquisition and reconnaissance. The challenges increase as the technology improves.

Mr. David Laws (Yeovil) (LD): I thank the Secretary of State for meeting me two weeks ago to discuss the Future Lynx order. He will be aware of the concern of many of my constituents about the media speculation surrounding the order. In the light of that, will he be in a position to give a clear green light to the order, which was signed two years ago, before the August holiday period begins?

Des Browne: I pay tribute to the hon. Gentleman. I understand his constituency interest in the matter, as well as his broader interest. As he knows, the affordability of our forward programme is being examined in the context of equipment. On many other occasions at the Dispatch Box I have turned down invitations to salami-slice every element, and I do not intend to do otherwise today. When I am ready to make any announcements, I will make them.

Mr. Nicholas Soames (Mid-Sussex) (Con): Has the right hon. Gentleman given any thought to the substitution of civilian helicopters to carry out conventional logistics tasks, so that more military helicopters can be freed up to go to Afghanistan?

Des Browne: I have done just that. As I believe the hon. Gentleman knows, we have entered into a contract in Afghanistan with a civilian supplier. As a result we are on track to move some 300 metric tonnes of supplies around Afghanistan, thus freeing up Chinook time, and time for the necessary deployment of attack helicopters to support the Chinooks. The arrangement has been very successful, and I am sure that we can build on it.

Nick Harvey (North Devon) (LD): Given the shortage of military helicopters, why have the Government decided to withdraw the Gazelle helicopter from service some nine years before its planned out-of-service date in 2018? According to answers that the Secretary of State has given me within the past few months, it has clearly proved the most reliable of all our military helicopters.

In view of the essential part that it plays in our national security strategy, is there not a danger that more pressure will be put on the helicopters that we need in Afghanistan and Iraq—although the Gazelle has not been used in Iraq since the early days? Will not its withdrawal leave a gap in our helicopter capacity, and how will the Secretary of State fill that gap without putting more pressure on our operations in Afghanistan and Iraq?

Des Browne: Thankfully, the answer to the hon. Gentleman's lengthy question is quite short. According to military advice, which I have accepted, the Gazelle is not deployable in either of those theatres.

Nick Harvey: I never said it was.

Des Browne: The fact that we cannot deploy it explains why it would not address our shortage in those theatres.

Mr. Gerald Howarth (Aldershot) (Con): The Lynx helicopters that are in service with the Army and the Royal Navy are pretty well at the end of their viable lives, much like the Prime Minister's own political position. When will the Prime Minister note the anger of people such as Lieutenant-Colonel Stuart Tootal, who recently resigned from the Army after commanding the Paras in Helmand? When will the Prime Minister stop dithering, and authorise the Secretary of State to make a decision on the 70 Future Lynx aircraft which could make a real difference to our hard-pressed troops? Will the Secretary of State confirm that if they are not ordered, he will find himself with 150 Army helicopters going out of service in 2012 and nothing with which to replace them? What will he say to people who are trying to take up the role vacated by Stuart Tootal?

Des Browne: I come to the Dispatch Box every week in the hope that the jokes will get better, but they do not improve.

The hon. Gentleman has raised an important issue: how can we provide the level of surveillance that we will need for the operational environment in the future? I have already said that helicopters have a role to play, but there are other ways of providing that surveillance, of which the hon. Gentleman is aware. Indeed, we have discussed them before.

I heard Lieutenant-Colonel Tootal speaking on the radio this morning, and read with care the interview with him that was published over the weekend. He was deployed in Afghanistan and performed a very professional and worthwhile job there with 3 Para, which he commanded. They were very brave, and had a significant effect on the Taliban. However, as Lieutenant-Colonel Tootal was the first to recognise this morning, that was in 2006. There has been considerable investment since then, particularly in helicopters. Lieutenant-Colonel Tootal recognised that; it is a pity that the hon. Gentleman does not.

Defence Technical Academy

3. **John Smith** (Vale of Glamorgan) (Lab): What progress is being made on the defence technical academy, St. Athan; and if he will make a statement. [219809]

The Minister for the Armed Forces (Mr. Bob Ainsworth): The Department continues to work constructively with the Metrix consortium on a range of issues on defence training review package 1 to achieve an affordable, value-for-money, acceptable and deliverable project. Negotiations with Metrix are continuing and both parties are working hard to drive down costs and obtain maximum value for money for the taxpayer.

John Smith: I thank my right hon. Friend for that reply. Will he take this opportunity to pay tribute to the integrated project team, Metrix and the Welsh Assembly Government for the way in which they are progressing this £12 billion private finance initiative, and especially their involvement of the local community in the planning and design stage, which has already resulted in a number of major improvements? Does he agree that, with a project of the scale, complexity and importance to the armed forces of this technical academy, it is important that we get it right and do not rush it?

Mr. Ainsworth: I thank my hon. Friend for his comments. As part of the planning process, we and Metrix are committed to an ongoing programme of consultation with the local community in Wales. We have involved the community in the redevelopment of St. Athan. That is a priority, and local comments will have a direct impact on how the details of any plans evolve. Public consultation exhibitions will take place—and, as my hon. Friend is aware, some are taking place at present.

Mr. James Arbuthnot (North-East Hampshire) (Con): But while it is important not to rush it, as the hon. Member for Vale of Glamorgan (John Smith) says, the defence training review does seem to be taking longer to come to signature than everybody had thought. In Bordon in my constituency, this is a very important matter because the regeneration of the town depends on everybody having a clear idea of the Ministry of Defence's intentions. Are there any problems with the sale of MOD land that we need to be aware of? What is going on?

Mr. Ainsworth: The right hon. Gentleman is right to say that this is taking longer than is ideal. The financial appraisals have thrown up some difficult issues, and we are working them through with a view to taking a decision before the end of the year.

Chris Bryant (Rhondda) (Lab): The Minister will know that there is a warm welcome for this project not only in the constituency of my hon. Friend the Member for Vale of Glamorgan (John Smith), but across the whole of south Wales. There are people in my constituency who formerly worked at St. Athan and who are looking forward to the prospect of working there again in the near future, and many of them have important skills. Will the Minister confirm that none of the delay that has so far occurred has been because any of the services is reluctant to work with the other services, because where all the services work together in providing training they can significantly add value?

Mr. Ainsworth: The St. Athan proposal added significant value to training in the whole area that was covered by package 1, and that was why it was considered to be value for money. That is not the reason for any hold-up.

We are getting total co-operation from within the services, and also from the local community in Wales. There are affordability issues, however, which we are trying to work through with Metrix. That has caused some delay, but we are still doing our best to bring this to a good conclusion.

Adam Price (Carmarthen, East and Dinefwr) (PC): This project was announced with considerable fanfare in the run-up to the Assembly elections, but, 18 months on, there is still no signed contract. We already have one empty aircraft hangar in the area that the hon. Member for Vale of Glamorgan (John Smith) serves as a result of a previous MOD U-turn. Does the Minister understand that there is fear in the community that the Government may be backtracking on the scale of the project, and can he reassure it that there is no truth in that?

Mr. Ainsworth: All I will say to the hon. Gentleman is that he and his nationalist colleagues ought to reflect upon the size of the defence training capability in Scotland and Wales were they to get their way and form Governments in either of those places.

Mr. Robert Walter (North Dorset) (Con): There are obviously serious difficulties with package 1, and it is clear that package 2 will never get off the ground. Does that not challenge the financial viability of the whole scheme, and has the Minister considered looking again at some of the investment the MOD has already made in my constituency at Blandford in the Defence College of Communications and Information Systems—more than £100 million over the past eight years—and at not sticking with the original defence training review plan, which was to locate communications and information systems training at Blandford?

Mr. Ainsworth: We have announced a change in policy on package 2. As the hon. Gentleman will know, the synergies, and, thus, the advantages in bringing people together, in the package 2 area were never as strong as those in package 1, so we are examining alternative solutions in those areas. Package 1 remains the best way of enhancing defence training, and we are committed to working through these problems and trying to deliver the proposal for St. Athan.

Troops (Telephone Packages)

4. **Sir Peter Soulsby** (Leicester, South) (Lab): What recent changes have been made to the telephone package offered to troops serving overseas. [219810]

The Parliamentary Under-Secretary of State for Defence (Derek Twigg): Personnel serving on eligible operations for two months or more are entitled to 30 minutes of free telephone time per week to any location worldwide, including mobile telephones. Earlier this month, we increased the allowance for personnel deployed for nine months to one hour, and personnel deployed on 12-month tours are entitled to two hours per week. We have also rationalised charges for additional call time to a flat rate of 11p per minute.

Sir Peter Soulsby: I thank my hon. Friend for that very positive response and for the allowance increases that have been announced. He will be aware of their importance, not only to the troops, but to their families and friends back here in the United Kingdom. May I encourage him to assure us that he will continue to keep this matter under review? He will be aware of the importance of communication, be it postal or telephone, to the troops and their families and friends, so may I suggest that at some future point he could be even more generous than he has been?

Derek Twigg: My hon. Friend makes an important point. Of course, we always keep these things under review. Whenever I visit Iraq or Afghanistan, I ensure that I talk to service personnel about the welfare package to get their views, and I do the same when I see families back in the UK and elsewhere.

Robert Key (Salisbury) (Con): May I give credit where it is due to the communications teams in Her Majesty's forces, especially the Army, for the substantial improvement in the welfare package, particularly on communication with families? I used to receive regular complaints from my constituents about that, but I have not received any such complaint for a long time. Credit should be given for the way in which free e-mails are available—free webcams are usually available too—for the fantastic job that the British Forces Broadcasting Service is doing and for the fact that newspapers are often available in the major centres in Iraq and Afghanistan within 24 hours of their publication in London.

Derek Twigg: I agree with the hon. Gentleman.

David T.C. Davies (Monmouth) (Con): Nevertheless, some constituents serving in the armed forces—*[Interruption.]* I shall have to put this one slightly differently. Some constituents, including some of mine, who are serving in Helmand province complain that when they have tried to use the telephone helpline to find out about problems accessing their wages—money to which they are entitled—they have been told that that time ought to come out of their time for telephoning relatives. Does the Minister agree that anyone who has a legitimate complaint to the forces helpline that deals with wages should be able to access that without it cutting into other telephone time?

Derek Twigg: We are working very hard to ensure that our armed forces personnel access such services. We are aware of some of the difficulties—I assume that the hon. Gentleman is talking about the Joint Personnel Administration—and we keep them under review. As I have said, we are making improvements all the time.

Armed Forces (Recruitment and Retention)

5. **Sir Robert Smith** (West Aberdeenshire and Kincardine) (LD): What steps he is taking to improve recruitment, retention and morale within the armed forces. [219811]

6. **Miss Anne McIntosh** (Vale of York) (Con): What recent representations he has received on levels of recruitment and retention in the armed forces. [219812]

The Minister for the Armed Forces (Mr. Bob Ainsworth): The Ministry of Defence receives many representations from Members of this House and elsewhere on the important subjects of recruitment, retention and morale in the armed forces. Last week we published the service personnel Command Paper, which is an unprecedented attempt to remove the disadvantage associated with service life and complements a raft of previous initiatives, such as enhancements to the deployed welfare package, and retention and commitment bonuses.

Sir Robert Smith: The Minister will recognise that the morale, professionalism and bravery of our armed forces have been built up over generations. I welcome the fact that the Government, as the custodian of that inheritance, have proposed the measures in the Command Paper, which will go some way in helping to address morale. Does he recognise that the crucial thing that the Government must confront is the overstretch of our armed forces? To that end, when will he realise that the forces need to be withdrawn from Iraq and that their efforts need to be concentrated in Afghanistan, where there remains a major job to do?

Mr. Ainsworth: We recognise that problem and the impact of service life on family life and harmony, and attempts to ensure that we stay within harmony guidelines are at the forefront for all of the services all of the time. We will, as the Secretary of State and the Prime Minister have said repeatedly, leave Iraq when the conditions are right, when the job is done, and when Iraqi security forces are capable of taking over and protecting the democratic Government of Iraq. Hopefully, that will be sooner rather than later, but it has to be conditions-based, not based on some artificial timeline that the Liberal Democrats keep asking for.

Miss McIntosh: I welcome the Command Paper, which I believe will make some changes, but is the Minister aware that at any one time there are between 3,000 and 4,000 people living in the Vale of York who work on the four military bases? One issue that the Command Paper does not deal with, concerning not just those in the military schools on the bases but those who go into normal education, is that it takes three to six months for the children of servicemen and women to settle in, which may be reflected in poorer results, both for them and for the school, and lead some servicemen and women to consider their long-term future with the Army? Will he please review that position now?

Mr. Ainsworth: There is a clear commitment in the Command Paper to look at the disadvantage in terms of school placements that is sometimes caused to the armed forces by the way in which we oblige them to work. We will work with the adjudicator and the admissions code to identify any disadvantage and to deal with it. I agree that it is essential that we try to remove those annoyances, which is why the commitment is in the Command Paper. I will point out the chapter to the hon. Lady if she wishes after questions.

Mr. Kevan Jones (North Durham) (Lab): My right hon. Friend will know that the Defence Committee has just concluded a report on retention and recruitment in Her Majesty's armed forces, and we have all been impressed by the opportunities in jobs, education and training that all three services give young men and women. In the light of that, does he agree that former senior members of the armed forces should comment on current situations rather than on some of the historical nonsense that we have heard over the past few days?

Mr. Ainsworth: My hon. Friend points out a problem, which is that people talk from their own experiences, which are not necessarily up to date, about force protection as provided in the operational theatre, the welfare package or other packages and measures that we have tried to introduce to assist our armed forces. One would hope that they made themselves aware of recent developments before they comment on them.

Mr. Lindsay Hoyle (Chorley) (Lab): My right hon. Friend must be aware that the big issue with recruitment is that we can do better if we have more regiments based in the north-west instead of reducing them, and that the best way of ensuring better retention is to stop the revolving door of going out to theatre, coming back and going straight back out. Does my right hon. Friend agree that if we could extend the period in the UK between periods in theatre, we would have better morale and retention?

Mr. Ainsworth: My hon. Friend is an honorary colonel in a north-west-based regiment, so I can understand his bias in that regard. We have tried to address to the maximum degree possible the harmony situation, and the breaches of harmony guidelines in the Army have come down from 15 per cent. to around 12 per cent. in the last year, although we must continue those efforts. My hon. Friend is right that if we are sending people out to theatre more often than not, that will have a bearing on morale. However, he should bear it in mind that there are some in our armed forces who are more than happy to deploy as often as they do, and some would seek to deploy more often than we think is good for them.

Mr. Mark Lancaster (North-East Milton Keynes) (Con): One way in which the Government have tried to combat falling numbers in the Army is by increasing recruitment from Commonwealth countries. Unfortunately, the G1 or welfare package has not kept pace. For example, if a Fijian soldier is given compassionate leave he is returned only to the UK and is forced to fund his own travel back to Fiji, or, invariably, his own unit will have to do so. Will the Minister look at this area to ensure that there is equity across the board for all soldiers?

Mr. Ainsworth: There are a number of measures in the Command Paper. I draw the hon. Gentleman's attention to the chapters to do with foreign and Commonwealth recruits to our armed forces and our attempts to deal with some of the disparities in treatment and to remove some of the botheration from them, their families and their partners. There are measures that we have taken. If he wants to take up other measures with me, I am prepared to look at them and to talk to him about them.

Laura Moffatt (Crawley) (Lab): Many Members of this House have concerns and want improved recruitment and retention in the reserve forces and the Regular Army. I am delighted to say that the all-party group on reserve forces launched a report earlier today—I am pleased that the Minister responsible for reserve forces was able to receive that report. May we be assured that that report will be taken seriously? Some excellent work is going on, particularly in the Royal Naval Reserve air branch, and the report is—we hope—our contribution to the excellent Command Paper and to ensuring that we have the best recruitment and retention in our armed forces.

Mr. Ainsworth: My hon. Friend will know that, separate from the Command Paper, we are part way through a review of the reserve forces. It is not expected to complete before the end of the year. Of course, her comments and those of the all-party group will be taken on board. I know that the group is being consulted throughout that process.

Dr. Julian Lewis (New Forest, East) (Con): The Minister's hon. and indeed gallant Friend the Member for Chorley (Mr. Hoyle) is undoubtedly right that overstretch is primarily the greatest problem. What effect does the Minister think it has on the recruitment, retention and particularly morale of soldiers, sailors and airmen to know that, if the head of their service speaks out in favour of better conditions for them, he can forget about ever becoming Chief of the Defence Staff?

Mr. Ainsworth: If the hon. Gentleman were speaking the truth, that would be a very serious matter indeed. I see no facts to support the allegations made by the hon. Gentleman. The Chief of the Defence Staff remains in post and will remain in post. He is doing a very good job and steering us through the difficult times that confront our armed forces at present.

Afghanistan

9. **Mr. David Evennett** (Bexleyheath and Crayford) (Con): What arrangements have been made to ensure the availability of adequate supplies of potable water in Afghanistan for troops. [219815]

The Parliamentary Under-Secretary of State for Defence (Derek Twigg): The UK has its own water treatment and bottling plant at Camp Bastion, producing significant amounts of drinking water per day from local sources. That water is transported onward to troops in operational locations. In addition, a number of forward operating bases are equipped with their own boreholes. Soldiers are also equipped with water purification tablets to treat local water if necessary when out on patrol.

Mr. Evennett: I thank the Minister for his response. Much has been made of the equipment shortages besetting our armed forces in Afghanistan, and rightly so. Do the Minister and the Secretary of State not agree that the ability to provide adequate supplies of water to service personnel operating in desert conditions is the most basic responsibility and should be taken very seriously by the Government?

Derek Twigg: I give the hon. Gentleman an absolute assurance that of course that is taken very seriously. It is essential that we have a proper water supply. In fact, when the hon. Member for Westbury (Dr. Murrison) raised these matters with me, I checked up with our people and could find no evidence that people were denied water or were unable to access water. We take the matter very seriously indeed.

Dr. Andrew Murrison (Westbury) (Con): The Prime Minister is something of an authority on bottling, so he is no doubt aware that before the commencement of bottling at Camp Bastion the cost of producing a litre of water in theatre was 70p. It is now 22p and is projected to fall to 10p. Geographically displaced bottling plants have the capacity to resolve the recent problems that troops in Afghanistan have had with potable water—an inexcusable failure in the supply chain. I know the Minister, and he is no bottler. What is he doing to ensure that our men and women have a reliable supply of fresh water without having to endure the ill effects of water purification tablets?

Derek Twigg: It is absolutely a priority for the Government, the Ministry of Defence and the ministerial team to ensure that our people have the water supply they need. Their accessibility to water is very important and we continue to keep the matter under review to ensure that they have a water supply. As I said in my original answer, there is a bottling plant at Camp Bastion that works very well.

Reserve Forces

10. **Phil Wilson** (Sedgefield) (Lab): What progress has been made on the strategic review of the UK's reserve forces; and if he will make a statement. [219816]

The Minister for the Armed Forces (Mr. Bob Ainsworth): The strategic review of reserves work is now moving from research to analysis, returning to those consulted where necessary to test assumptions and to clarify detail. A second round of consultation workshops will be run in September, with delivery of the report due later this year.

Phil Wilson: Will my right hon. Friend join me in congratulating the 102nd Battalion the Royal Electrical Mechanical Engineers, under the command of Lieutenant-Colonel Jock Murdoch? The REME battalion is based in Newton Aycliffe in my constituency, as is the 201st Northern Field Hospital and the 124th Recovery Company. REME and the other units have undertaken courageous duties in Bosnia, Afghanistan and Iraq. Does my right hon. Friend agree that the Territorial Army does a magnificent job in the most dangerous of circumstances?

Mr. Ainsworth: My hon. Friend is right. We should never underestimate the contribution that is being made by our reserve forces to our current operations, as has been made throughout the 100 years of the TA. The reserves review is to ensure that they remain as relevant to the armed forces over the next 100 years as they are at present and have been over the past 100 years.

Mr. Julian Brazier (Canterbury) (Con): I join the hon. Member for Crawley (Laura Moffatt) both in thanking the Under-Secretary for attending our launch this morning and in congratulating the MOD reserves team on the way in which they are conducting the study. May I put it to Ministers that when it comes to making decisions they need to bear two things in mind? First, the volunteer reserves are working desperately hard and their numbers, too, are very much under pressure from overstretch. Secondly, our English-speaking cousins—America, Canada and Australia—all prove more imaginative than us in the number of ways they find to make good use of reservists, of whom helicopter crews are just one example.

Mr. Ainsworth: I do not disagree with the hon. Gentleman that we have to look all the time at how to improve the contribution that the reserves can make and that we have to be imaginative about exploring the possibilities. However, we must always be aware that those people are volunteers, so we have to balance that with the offer we actually make those individuals if it is to be sustainable over time. I am convinced—as I know is the hon. Gentleman—that we can get far more from our reserves than we do at present and that we may be able to offer them better opportunities and training and a more enjoyable experience.

Armed Forces (Recruitment and Retention)

11. **Mark Hunter** (Cheadle) (LD): What recent steps he has taken to improve recruitment, retention and morale in the armed forces. [219817]

The Minister for the Armed Forces (Mr. Bob Ainsworth): I refer the hon. Gentleman to the answer I gave earlier today to the hon. Members for West Aberdeenshire and Kincardine (Sir Robert Smith) and for Vale of York (Miss McIntosh).

Mark Hunter: I make no apology for returning to this hugely important issue, particularly in light of the MOD's recent survey of servicemen and women, which found that up to 59 per cent. of Army personnel are now more likely to leave because of the level of operational commitments and overstretch. Although the steps the Government have already announced are to be welcomed, can the Minister tell the House a little more about what they will do specifically to tackle the twin problems of overstretch and frequency of tours?

Mr. Ainsworth: As I said in the earlier exchanges, by managing our forces as well as possible given the present calls on them, we have reduced—or improved—the harmony gap in the Army and the other services. In terms of morale, retention and recruitment, the measures in the Command Paper will be significant. For example, if young people look not only at the educational opportunities they will have while in service but at the fact that if they give six years of service to the armed forces we will pay for their qualifications at A-level, or if they are already there, at foundation degree or degree course level, they will see that it is a considerable offer. When it is combined with the retention bonuses and the commitment bonuses paid across the forces—eight years' service brings a £15,000 commitment bonus—I think we shall be able to continue to recruit good-quality people to our armed forces in the years to come.

Mr. Gordon Prentice (Pendle) (Lab): I know that we have always recruited soldiers and sailors from the Commonwealth, but we are relying on those countries increasingly. Is there an upper limit on the number of people whom we take from Commonwealth countries?

Mr. Ainsworth: There has been an increase in soldiers from foreign and Commonwealth countries in recent years, as my hon. Friend knows, but to say that we are totally reliant on them is wrong. We have traditionally recruited from many parts of the world, including parts of Africa and Fiji, and there are the Gurkha regiments, too. We are talking about long and historic connections with our armed forces, and I do not think that anybody thinks that we ought to pull back from them.

Topical Questions

T1. [219832] **Mr. David Evennett** (Bexleyheath and Crayford) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Defence (Des Browne): As Secretary of State for Defence, my departmental responsibilities are: to make and execute defence policy; to provide the armed forces with the capabilities that they need to achieve success in the military tasks in which they are engaged at home and abroad; and to ensure that they are ready to respond to tasks that might arise in the future.

Mr. Evennett: I thank the Secretary of State for that response. According to Government figures, operations in Iraq in 2006-07 cost £956 million, while operations in Afghanistan cost £738 million. Will he explain why that is, given that there is a much larger troop presence, and much more troop activity, in Afghanistan?

Des Browne: The answer to the hon. Gentleman's question is simply that that is what we needed to spend. The complexity of the two operational environments is such that comparisons of that sort cannot be drawn simply from the figures. I suggest that he avail himself of the opportunity to visit one or both of them. When he sees that there are some similarities between them, but also significant differences, he will understand why such a comparison cannot be drawn.

T2. [219833] **Mark Hunter** (Cheadle) (LD): In view of the recent tragic deaths involving personnel in Snatch Land Rovers, including the death of the first female British soldier to be killed in Afghanistan, and the coroner's comments that the deaths could have been avoided if the protection of armed vehicles had been improved, will the Secretary of State tell us what precise measures have been taken to ensure that the coroner's advice is taken on board and followed, so that we avoid future unnecessary deaths?

Des Browne: I have answered questions relating to vehicles at the Dispatch Box on a number of occasions, and indeed in debates we have gone into the subject at some length and in some depth, so I am sure that the hon. Gentleman is aware that the Government's responsibility is to provide operational commanders with a suite of vehicles that cover all operational requirements. I am sure that he will accept that. Consistently, military commanders are of the view that Snatch Land Rovers perform a necessary function in the operational theatre because, in part, the security of our troops there is related to how they present themselves to the communities in which they operate. That means balancing the risk of not having the protection that other vehicles, such as the Mastiff, may provide, against factors such as flexibility, speed of movement and presentation.

Every single day, I spend time with people in the Ministry of Defence looking at how we can enhance and improve the choice, and how we can improve protection. I stand by my record, and the record of my ministerial team in the MOD since I have been in charge. We have considerably improved investment in the vehicles that we have been able to deploy, but there is more to do. If the hon. Gentleman will allow me time to identify where the vehicles in question are, to equip them and to deploy them, I am sure that he will see them in the operational theatre in the medium term.

T8. [219839] **Sarah McCarthy-Fry** (Portsmouth, North) (Lab/Co-op): In Portsmouth we have been celebrating the signing of the aircraft carrier contract, which will secure not only the future of Portsmouth naval base, but high-quality manufacturing jobs in our area for many years to come. Will my right hon. Friend carry on the good practice of interdepartmental working, which he started with the Command Paper, by working with the Department for Innovation, Universities and Skills to ensure that young people in our area take advantage of the apprenticeships on offer at this joint venture? In that way, we will also keep the skills base for many years to come.

The Minister for the Armed Forces (Mr. Bob Ainsworth): Of course; that applies across the entire industrial estate. My hon. Friend made a point about the skills that there will potentially be in Portsmouth for generations to come. They have to be exploited, but we cannot do that on our own in the MOD. I agree with my hon. Friend that we need to work with other Departments to do so.

Dr. Liam Fox (Woodspring) (Con): To go back to the point that the Secretary of State made a moment ago, I should say that Snatch Land Rovers do have flexibility, and commanders appreciate that. However, the risk to our troops is getting ever greater. Can the Secretary of State expand on his previous answer and tell us what alternatives the Government have already considered to replace the Snatch Land Rover? What might the estimated costs of such a programme be and does he expect the full cost to be carried by the Treasury reserve?

Des Browne: The hon. Gentleman is aware that we have approved more than £3.6 billion of urgent operational requirements for Iraq and Afghanistan, and the majority of those have related to force protection, including the requirement for protected vehicles. From his own experience in the operational theatre and from talking to military commanders, he will be aware of how welcome the Mastiff vehicle, among others, has been in the operational theatre. Protected vehicles, armour, electronic countermeasures and body armour are all part of the complex suite of capabilities that we need to protect our people in theatre. Commanders now in the operational theatre are extremely positive about the equipment that they have.

However, all vehicles, including the Mastiff, have their vulnerabilities; no vehicle can completely guarantee protection, which is derived from a combination of factors. However, we have a range of vehicles now. There is a role for the Snatch, the Viking, the Land Rover, the Jackal and the Mastiff. There is also a role for the Ridgback vehicle—the 4x4 vehicle that we are in the process of procuring, up-armouring and completely fitting out. That investment is being supported by the reserve. However, there is also, of course, a role for the MOD to look forward at how it purchases and protects vehicles for the long term. That has to be part of the thinking in respect of the ongoing equipment programme.

Dr. Fox: On 8 July, the Secretary of State told the House:

> "The MOD does not make provision for the net additional cost of operations in Iraq and Afghanistan—this is recovered from the Treasury Reserve."—[*Official Report*, 8 July 2008; Vol. 478, c. 1458W.]

However, is it not true that when procurement through urgent operational requirements reaches £900 million, 50 per cent. of the cost is directly carried by the MOD? This year, with troops active in Iraq and Afghanistan, and with fuel costs soaring, the MOD will be forced to cut £400 million from its own budget. What sort of crazy agreement penalises the military when they get new equipment and cuts the core budget in the middle of two wars? That arrangement is not the Treasury reserve carrying the burden of Afghanistan, but a guarantee to bleed the military dry over time.

Des Browne: I read in my copy of *The Times* this morning that the hon. Gentleman was threatening to grill me about the increase in the fuel bill. *[Interruption.]* The hon. Gentleman says, "Don't believe what you read in the papers." I have often given him that advice, including when he has briefed the papers to report what was being reported. The fact is that I did not recognise the detail that had informed the story in *The Times*. *[Interruption.]* I say to the hon. Gentleman that the total cost of fuel last year for the MOD was about a quarter of what has been suggested. If he is relying on the information in *The Times*, he is misinformed. The agreement to which he refers, which is reported and transparent, is designed to get the balance right between long-term investment and urgent operational requirements. I have never been refused any request that I have made to the Treasury for urgent operational requirements, and I do not expect that I ever will be.

T9. [219840] **Andrew Mackinlay** (Thurrock) (Lab): May I refer the Secretary of State to the parliamentary question that I tabled on 13 November 2007 asking what his Department intended to do to commemorate the rather special 90th anniversary this year of the armistice? The Secretary of State, his Minister of State and the junior Minister have always promised to write to me, but we are now about to go on parliamentary recess. They do not only need to write to me—they need to tell the world what we are going to do. Will they make a statement to tell us how we are going to mark this very important social, political, military and legal anniversary, in which many schoolchildren, students and veterans are very interested?

The Parliamentary Under-Secretary of State for Defence (Derek Twigg): I assure my hon. Friend that I will keep him up to date, as I have on a regular basis. The last thing that I said to him was that there would be a ceremony at the Cenotaph for the 90th anniversary. I have also been in discussions with my French counterpart about what might happen in France. I assure my hon. Friend that as soon as I have more details I will write to him with them.

T3. [219834] **Mr. James Gray** (North Wiltshire) (Con): What could be more topical than the historic welcome that Parliament as a whole is about to offer 4 Mechanised Brigade as it marches through Carriage Gates this afternoon? Does the Secretary of State agree that your presence, Mr. Speaker, at 3.45 pm at the North Door of Westminster Hall is symbolic of the pride and gratitude that the entire nation feels for the fantastic job that 4 Mech Brigade has done in Iraq?

Des Browne: I had the privilege of visiting 4 Mech Brigade twice when it was deployed in Iraq. No words will be sufficient to recognise the contribution that it has made to the improvement in the situation for the Iraqi people, particularly in the city of Basra and the wider province. It is a small thing for those of us in this House to welcome the brigade here, to spend some time with the soldiers and to say thank you. I am delighted, Mr. Speaker, that you have given permission—I am sure that that was easy to do—for them to march through Carriage Gates. I am even more delighted that you can be there to welcome them on behalf of us all.

T4. [219835] **Mr. Michael Jack** (Fylde) (Con): Can the Secretary of State confirm that the discussions of senior officers in the RAF and the MOD about the possible sale of some tranche 1 Eurofighter aircraft to help to fund tranche 3 are continuing? Will he put us out of our misery and tell us when he is going to make an announcement on this vital order for BAE Systems in my constituency?

Mr. Bob Ainsworth: As has already been reported to the House, an equipment review is going on in the MOD. That is designed to inform the decisions of the next—2009—planning round. The issues that the right hon. Gentleman talks about are part of that review, along with a lot of other things.

Mrs. Ann Cryer (Keighley) (Lab): Will my right hon. Friend comment on the success or otherwise of recruitment from ethnic minorities? I am thinking specifically of the Bangladeshi and Pakistani communities in the north of England, where there are high levels of unemployment.

Mr. Ainsworth: We are making some progress on recruitment among ethnic minorities, but not nearly as much as we would want. To be frank with the House, we are still behind on the targets that we have set ourselves. However, we are moving in the right direction, albeit at a slower pace than I, or my hon. Friend, would want. How exactly we go about placing ourselves well among some of our ethnic minority communities needs constant thought. If she has any ideas that she wants to feed into that process, they would be most welcome to me and to my ministerial colleagues.

T5. [219836] **Mr. Peter Bone** (Wellingborough) (Con): The former commander of 3 Para, Lieutenant-Colonel Stuart Tootal, recently said:

> “We had seven Chinooks for a battle group of 1,200; now there are only eight Chinooks for four battle groups. If you're not flying you're driving, and if you're driving when you should be flying you're vulnerable to roadside bombs...we don't have enough helicopters.”

Does the Secretary of State agree?

Des Browne: We addressed this question earlier. As I have made plain, including in my written statement to the House, the number of helicopter hours and the availability of helicopters have increased significantly—by 30 per cent.—and we are taking further steps to increase the fleets from which we will deploy aircraft into Afghanistan. In addition, we are part of a coalition, and the Canadians have taken steps as a consequence of their review to buy six additional Chinooks and eight Griffins, and they are leasing eight Mi-17s in the short term.

The hon. Gentleman will also be aware that, in co-operation with France, we have engaged in an initiative with the European Union and NATO to increase the deployability of the many hundreds of helicopters that many of our allies have but which are not deployable, either because their crews are not skilled enough to fly them in the environment or because they are not suitably equipped to provide the maximum amount of safety. Those things are going on all the time; the problem is that it takes time to get from where we are to a point where we have further deployable equipment in the operational theatre. Every single day, however, we make a step in the right direction.

T6. [219837] **Mr. John Baron** (Billericay) (Con): Any escalation in the tension between Iran and Israel would have implications for our troops in the region. There has been recent talk of Israel taking military action unilaterally. What would be the position of the British Government if that were to occur?

Des Browne: The Israeli Government's position is four-square with that of the international community in the preponderance of activity in trying to deal with the Iranian challenge across the board, in terms of the diplomatic effort. Where some encouragement of the Iranians has been needed, we have all gone to the United Nations. We have significant numbers of troops deployed in the region, and other assets there. We have contingencies for almost any eventuality, in terms of the protection of our troops and others in the region.

T7. [219838] **Philip Davies** (Shipley) (Con): The UK defence industry employs 310,000 highly skilled workers and it won exports of about £10 billion last year, but the Prime Minister chose to snub the Farnborough air show. Did the Secretary of State advise him not to attend?

Des Browne: The Government were well represented at the Farnborough air show. A number of Cabinet Ministers were there; indeed, when I attended there were at least three other Ministers present. I heard no complaint from those who were at the Farnborough air show, exhibiting or engaged—*[Interruption.]* I heard no complaint from any of those who were there that they had not got the support that they expected from the Government. On the contrary, I consistently heard praise for those in the Government—in the Department for Business, Enterprise and Regulatory Reform and my Department in particular—who had supported them to win those orders, which created the jobs that the hon. Gentleman identified.

Welfare Reform

3.32 pm

The Secretary of State for Work and Pensions (James Purnell): With permission, Mr. Deputy Speaker, I wish to make a statement on the Government's Green Paper, "No one written off: reforming welfare to reward responsibility".

The welfare state is a vital part of our country. We take pride in it. It is how we come together as a nation to support those who are vulnerable and in need of help. But our welfare system has not always kept pace with the changes in our society. In preserving some of the structures inherited from its founders, we have neglected their principles. William Beveridge's contract for welfare had three founding ideas, the first of which was that revolutionary times called for revolution, not patching, and the second was that welfare was about more than just income. He wanted to topple not just want, but the other four giants of disease, ignorance, squalor and idleness too. These became the defining issues for the Attlee Government and inspired that Administration's creation of the welfare state.

However, over time, Beveridge's third principle—that the system of social security should not stifle incentive, opportunity and responsibility—was perhaps lost. The purpose of the welfare state was to help people in need today so that they could reduce their need tomorrow. From the 1960s onwards, that principle was eroded. The nadir came in the 1980s, when all conditions were removed from unemployment benefit and unemployment rose to more than 3 million—much higher than it needed to do.

In 1997, we inherited an essentially passive welfare state. Since then, we have been turning it into an active one. The Green Paper completes that transformation. It is based on the marriage of two simple ideas: more support and more responsibility—the root of a fair system for claimants and the taxpayer. It aims to meet five main goals.

First, the Green Paper aims to end the idea that there is a choice between claiming and working. Instead, from now on, the longer people claim, the more we will expect in return. At three months and six months, claimants will intensify their job search and have to comply with a back-to-work action plan. After a year, they will be transferred to an outside provider, who will be paid by results. Claimants will have to work for their benefits for at least four weeks—longer if the provider requires it. For the 2 per cent. whom we anticipate to be still out of work after two years, we will explore mandatory full-time work programmes and other approaches, such as daily signing.

We will give our advisers the power to use full-time work as a sanction at any stage of a claim for those who abuse the system. We will improve treatment for those who have a problem with crack cocaine and opiates, but require them to take up that support. We know that our support works, but we also know that conditionality works. By getting more people to take up the support, we can increase employment and reduce poverty.

When we introduced the new deal, we started to end the idea that people could claim benefits indefinitely when work was available. As long-term youth claimant unemployment fell by nearly 80 per cent., we extended that principle to other workers. Consequently, we now have more people in work than ever. Claimant unemployment has been halved, saving £5 billion a year. Nine out of 10 people leave jobseeker's allowance within 12 months of claiming.

Work works, and it is only fair that we make sure that a life on benefits is not an option. The second goal is to ensure that no one is written off. In 1979, around 700,000 people were on incapacity benefits. By 1997, the total had risen to 2.5 million and was going up by 50,000 every year. We have reversed that trend, and the number on IB is the lowest that it has been for eight years. Annually, nearly 400,000 fewer people are flowing on to IB compared with 1997.

We have created the Pathways to Work programme, which helps people improve their health, adapt to their condition, rebuild their confidence and look for work. We know that that support works, too, and have made it mandatory for all new claimants.

We have legislated to abolish IB and replace it with the employment and support allowance. That new benefit treats people as individuals, looking to what people can do, not what they cannot. Today, I am announcing that we will migrate everyone from IB on to ESA between 2010 and 2013, with personalised support for everyone, based on our successful pathways programme. We will review the medical test to ensure that it reflects the latest evidence that work is generally good for people's well-being, and we will reassess all existing claimants to ensure that they are on the right benefit for them.

Those who are ready to work will move on to JSA. Those with the greatest needs will get a higher benefit rate—up from £86.35 to £102.10—and can volunteer for Pathways to Work. We will increase funding for our specialist training programmes and for supported employment. Everyone else will get personalised help, based on pathways, to get them back to health and back to work. However, they will be required to take up that help, and look for work when a doctor recommends it.

The changes mean that, for the first time, no one will be abandoned to their fate, to get by on benefits. For the vast majority, ESA will be a temporary benefit, not a permanent snare.

Our third goal is to transform the rights of disabled people. Disabled people do not want to be told that they cannot work. Instead, they want society to remove the discrimination that makes it harder for them to work. So we will double the Access to Work budget, paying for sign language interpreters, specialised IT or help with mobility. Our aspiration is that everyone who could benefit from access to work should be able to do so. We will also consult on a new right to control. We know that individual budgets work. I want to give disabled people the right to know how much the state is spending on them, and request that that money be given to them as a budget that they control. We want to put disabled people in control, not under the control of others.

The fourth goal is to strengthen parental responsibility. We have lifted 600,000 children out of poverty and, following the £1 billion invested in the Budget, we are set to help another 500,000. But we need to strengthen family life, too. So, for the first time, we will allow parents on benefits to keep all their maintenance payments and require both parents to register the birth of their child. Together with our changes to lone parent benefits, we estimate that these welfare reforms will lift 200,000 children out of poverty.

Fifthly and finally, we propose to devolve power, so that services can be personalised to the needs of the individual. We want a triple devolution: to our advisers, to our providers and to local communities. Jobcentre Plus is recognised as one of the best back-to-work agencies in the world. Its staff have unrivalled knowledge of their customers and their needs, so we will give our advisers greater flexibility over how much time they spend with each client. We will offer our providers the right to bid for any part of our services that they think they could do better. We will also give local communities the chance to shape how back-to-work services are delivered in their area.

Most of all, we will implement all the reforms in the Freud report, the report that inspires our Green Paper. We will release the creative energy of the private, voluntary and public sectors. By paying them out of the benefit savings that they generate, we will free our providers to help even more of our customers back into work. And, as David Freud recommended, we will simplify the bewildering complexity of the benefits system. We propose to abolish income support and move current customers on to JSA when resources allow. The result will be a dual system of working age benefits, with ESA offering the right help for sick and disabled people, and JSA doing the same for those actively seeking work or with caring responsibilities. The conditionality regime would be appropriate to each and would not change for carers or parents of younger children.

Today's publication marks the beginning of the consultation process. We want these proposals to be shaped by the opinions of the public and Parliament, and by the expertise of charities, providers and academics.

In the past, people were able—in many cases encouraged—to spend a lifetime on benefits. Once they had signed on, the welfare system all too often switched off. There was no expectation that anything could change and precious little support to make that happen. This Green Paper ends all that. It puts us on the road to our ambition of an 80 per cent. employment rate, with 1 million people off incapacity benefit by 2015, the eradication of child poverty by 2020 and equality for disabled people by 2025. The Green Paper will also restore Beveridge's third principle—the principle of incentive, opportunity and responsibility—to where it always should have been: right at the centre of the welfare state. For that reason, the Green Paper will transform the lives of hundreds of thousands of people. I commend it to the House.

Chris Grayling (Epsom and Ewell) (Con): I start by thanking the Secretary of State for an advance copy of his statement, although after last week the contents did not come as much of a surprise.

May I also congratulate the Secretary of State on getting the Green Paper out before the summer recess? I know that many in his party most definitely did not want it published three days before the Glasgow, East poll and I have some sympathy with them. If I were running a by-election campaign on which my leader's future depended, I would not want such a document published in an area of high benefit dependency three days before polling day, either.*[Interruption.]* But then, hon. Members may suspect that the Secretary of State had other reasons for wanting the document published this week in particular.

Hon. Members may not know that the Secretary of State began his political career as Tony and Cherie Blair's babysitter. He has come a long way since then—*[Interruption]*—and this Green Paper—

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I am sorry to interrupt the hon. Gentleman, but the House should give him a hearing, just as it did the Secretary of State.

Chris Grayling: Today marks the day when the Secretary of State comes into his inheritance as the Blairs' outrider in the House of Commons.

Today, the whole House should pay tribute to David Freud for the work that he has done and the influence that he has had on the welfare reform debate. His work formed a key part of our welfare green paper in January and of today's announcement.

Much of today's package is a straight lift from our green paper published in January. It included our plans for compulsory community work programmes for people who have been out of work for more than two years out of three; the Government have now adopted that proposal. It included plans for an independent medical assessment for all claimants of incapacity benefit; the Government have adopted that proposal. It planned to change things so that people could no longer sign on and off benefits for a week to avoid back-to-work programmes; the Government have adopted that as well.

We should bear it in mind that when we announced our proposals in January, the former Secretary of State described them as uncosted and unworkable, so the Government's Pauline conversion since then is very welcome. Since these are Conservative proposals that we are discussing today, we will certainly support them. Indeed, I know that the Secretary of State will have some difficulties getting them through his own party, so may I assure him that we will help him to get them through the House even if he does have a Back-Bench rebellion to contend with?

In fact, I would go further than that. Hon. Members should not underestimate the importance of today's announcement and why I am so grateful to the Secretary of State. It is much too late to start making a difference to Britain's benefits culture during this Parliament, but by starting early, this Government are laying the ground work for the next one. We always expected it to take two or three years to get the new system up and running and then for it to take some time after that—when the various pilot projects are done—to maximise the potential savings and benefits of these proposed programmes. Today's announcement means that during the next Parliament—beyond any of the current spending review periods—we will see real savings that can be reinvested in eliminating the couple penalty in the tax credits system, and those plans will take 300,000 children out of poverty. I am very grateful to the Secretary of State for giving us a head start.

Let me ask the Secretary of State about two points of detail in relation to the Green Paper. First, how much additional budget does he have to pay for the extra back-to-work places that will be needed under Pathways

[Chris Grayling]

to Work for those currently on incapacity benefit who will be tested between 2010 and 2013 in those areas that are not covered by the annual managed expenditure-departmental expenditure limts—AME-DEL—pilots? Secondly, given all the concerns raised about the employment and support allowance by pressure groups and Labour Back Benchers, can the Secretary of State confirm to the House that no individual will be worse off in real terms after they are transferred from IB to ESA?

The Opposition welcome today's announcement enthusiastically. We look forward to a constructive debate about it and to trying to work with the Government to turn these proposals into reality as quickly as possible.

James Purnell: I welcome the hon. Gentleman's support, of course. When parties agree on proposals, they should not invent artificial political differences. If something is the right thing to do for the country, that is exactly what we should do. The hon. Gentleman was not quite as complimentary as he was outside the House, when he said that the Green Paper was revolutionary, that he was "delighted" and thrilled and that the proposals were great news, but I will wait for him to write to me with those comments.

I am glad that, for the first time today, the hon. Gentleman has paid tribute to David Freud and his report. To listen to him sometimes, we would think that the Opposition had commissioned the David Freud report, but it was actually commissioned by the Government. When the Opposition published their green paper, they said:

> "Our plan is to build a programme based around the concept set out by David Freud in his report."

The Government commissioned the report, we have consulted on it and now we are implementing it.

I am reminded of the quote by Ronald Reagan—I am sure that he is someone the hon. Gentleman will approve of my quoting—who, I think, said that there is no limit to what someone can do in politics if they do not care who gets the credit. The hon. Gentleman can scrabble around trying to get the credit if he wants to; we will get on with doing the right thing for the country.

When the hon. Gentleman talks about Glasgow, East and Glasgow in general, he betrays a deep misunderstanding, which still pervades the Tory party, about parts of this country. It was the Conservative party that allowed that city to be abandoned for so long, and over the past 10 years, we have been putting that right by halving unemployment in Glasgow and reducing incapacity benefit by 25 per cent. That city has been transformed under a Labour leadership. The hon. Gentleman should be saying to people in Glasgow that he will provide them with that extra support. People will not say that they do not want that support. When I was there recently, people were asking for extra powers and extra support, and asking us finally to put right the mistake that the Conservatives made in the 1980s, which was to abandon people on incapacity benefit without the support that they deserved. We will put that right.

The hon. Gentleman asked two questions of detail. I am glad to be able to reassure him that the programme outside the areas with AME-DEL pilots—to use the jargon—are also fully funded by the Treasury, and that our budget will be increased to ensure that delivery. That will allow us to offer personalised support across the whole country, and AME-DEL will be on top of that. Also, the hon. Gentleman can be reassured that there will not be any cuts to people's benefits. We will use a much better way of targeting people in the future, using the support group to get more money to people. That is exactly the right thing to do. It is also worth saying that, although these proposals build on David Freud's recommendations, they go further in significant respects. The right to bid is a new initiative, as is the right to control. The doubling of the Access to Work budget and the full child maintenance disregard are new policies that encapsulate the idea behind our Green Paper that there should be support as well as responsibility.

If the Conservatives want to support that approach, there are two further lessons that they need to learn. The first is that responsibility without support is a hollow bargain, yet that is what the Conservatives are proposing. They say that they want to dismantle the tax credit system because it results in poverty disguised rather than poverty cured—

Chris Grayling: When did we say that?

James Purnell: The hon. Gentleman's leader said last week that we had reached the end of the road for transferring money from the rich to the poor. That was a clear signal that a future Conservative Government would cut back on benefits for the poorest people in this country. We need the right approach—one that combines support and responsibility. The second lesson that the Conservatives need to learn is that any proposals that we or they make need to be costed and funded. They are agreeing to our policies today, and we welcome that, but that means that there is no further money to invest in the couples' penalty, as the hon. Gentleman called it. That money is fully costed in our plans. I trust that, if he wants to repeat that proposal, he will find a new way of funding it. We welcome the Conservatives' support. We will work with them and we hope that we can teach them those two lessons as well.

Mr. Frank Field (Birkenhead) (Lab): Given that the social security system compensates people with disabilities through the disability living allowance, and given that I thought most people agreed that it was unwise to have higher rates of benefit for people who stayed on benefit the longest, why did the Secretary of State reject the one radical move that he might have made today—namely, to introduce a single rate of benefit for all people who are workless, irrespective of the cause?

James Purnell: We continue to be interested in the proposals around a single benefit system. Indeed, we are taking a major step towards that today by abolishing income support on top of the abolition of incapacity benefit. That will lead to a system that is based essentially around two benefits: jobseeker's allowance and the employment and support allowance. In the short term, however, going in the direction that my right hon. Friend suggests would involve either spending hundreds of millions of pounds to take the JSA rate up to the ESA rate, or reducing the benefit levels of disabled people on ESA, which is not something that we are prepared to do. We continue to look at proposals for a single benefit system, but I hope that my right hon. Friend will acknowledge that today's proposals represent an important simplification.

Jenny Willott (Cardiff, Central) (LD): It is good to have the opportunity to talk about welfare reform. I think that all my predecessor Lib Dem spokespeople have done so, given that this is the seventh Green Paper on the subject to be produced in the past 10 years. I thank the Secretary of State for giving us an advance copy of his statement, although I think I learned more from what I saw on television on Friday than I did from today's statement.

I welcome the emphasis today on helping everyone back into work and the focus on the assumption that many more people are capable of contributing if they are given the right support. It is also good to see that the Department has persuaded the Treasury that a new funding model will be essential if this system is to work. I am also glad to see that there is finally recognition that the benefits system is far too complicated, which is something that the Liberal Democrats have been going on about for a number of years.

However, I would like to raise a number of concerns with the Secretary of State. The first is that these policies are very centralising, and that individuals do not appear to be at the centre of the reforms, no matter what he says. Every jobseeker is different. Many can easily find themselves a job within a few months and with very little assistance, but for others that simply is not the case. Instead of adopting centralised timetables, we should devolve more discretion to advisers in job centres and employment providers so that they know who is able to get jobs themselves and who will need assistance right from the start, rather than waiting a number of months before support can kick in—and the same should apply to sanctions.

My second concern is about privatisation in the current economic downturn. We agree that private and voluntary sector organisations should be involved in back-to-work support, but the Government's approach is too centralising and large scale and the regional contracts are far too big for voluntary sector organisations to have much of a role in providing them. That will be exacerbated by the right to bid, as the only organisations with the capacity and resources to put in speculative bids will be big private sector companies rather than voluntary organisations.

That brings me to my biggest concern, which relates to the economic climate. Under the right to bid, there could be very little state provision left, but if it became apparent that the companies were finding it insufficiently profitable to provide those services or could not afford to run certain ones, there would be problems. Has the Secretary of State looked at the evidence and can he assure us that that will not happen?

My third concern is the system's complexity. The Green Paper reflects what we have said for a number of years—that the benefit system is too complex—but genuine simplification seems to be on the backburner. Will the Secretary of State provide more detail on what he wants the simplification of the system to achieve and a timetable for doing so? Given that the Conservatives say that the Government have adopted all their ideas, may I recommend that the Secretary of State implements the Liberal Democrat policy of a single working age benefit?

Tackling poverty is the next matter of concern. The Green Paper is based on welfare to work—getting people into work as the route out of poverty—but more children with working parents were living in poverty last year than were children with no parents in work. The number of children of working parents living in poverty has risen over in the past three years, whereas the comparable number of children in poverty with parents out of work has fallen. The lesson appears to be that, under this Government, work does not pay. How do the Government plan to tackle that problem? If this is a genuinely cross-departmental initiative, will the tax credit system be taken into account when looking at benefit simplification?

The final matter I want to raise with the Secretary of State is that of mental health. The Green Paper talks about drugs misusers, but does not mention people with alcohol problems. In fact, more than a million people on incapacity benefit have mental health problems, which is barely mentioned at all. Although we welcome some elements of the Green Paper, I would be grateful for more suggestions about what it will do to help that large group of people. I look forward to the Secretary of State answering my questions and to seeing the legislation that results from the Green Paper.

James Purnell: I welcome the hon. Lady's backing for our support measures, the new funding mechanism and the simplification measures. We are, of course, happy to continue to reflect on proposals for a single working age benefit, but I think that the Liberal Democrats have to say how they would achieve that. Which benefit rates would they cut in order to have that harmonisation; or, if they are not proposing to cut any benefits, where would they find the extra money to lift everybody up to the level of the highest benefits within the system? *[Interruption.]* I note that the hon. Lady says that she is happy to have that conversation and I would happy to hear her set out her proposals.

It is also important to say that we want to give greater discretion to our advisers. They already exercise quite a lot of discretion, but we want to go further—for example, by giving them more time to discuss issues with people who may need half an hour or a bit longer, so spending correspondingly less time with those who are already looking for work and may need only a couple of minutes to arrange the next interview. We also want to give more discretion to our providers. That is why we are following the so-called black-box approach, where we set the outcomes and the results we want to achieve, but we also free up the people involved to determine how they actually achieve those ends. Where the private and voluntary sector is concerned, it is important that we do not curtail discretion with too many centralised rules.

The hon. Lady is absolutely right that the third sector and social enterprise have a vital role to play in the delivery of services. Indeed, they already do so, and we are determined that, as we bring in these prime providers, that will be a way of improving our work with the third sector. That is exactly why I have asked the Association of Chief Executives of Voluntary Organisations and Tony Hawkshead from Groundwork to lead a taskforce looking specifically into this issue. If the hon. Lady has any suggestions, we would be happy to consider them.

The hon. Lady is wrong to say that the Green Paper does not mention the important issue of mental health. It says specifically that our interventions with pathways for people with mental health problems have not been as successful as others. They have had some success, but we want to look at how to make them more effective,

[James Purnell]

how we can dovetail that with improving access to the psychological therapies roll-out—the roll-out of talking therapy led by the NHS—and how we can work with local areas to improve the co-ordination of mental health and back-to-work services. Work is often the best way of helping people to improve their mental health. We also need to work with employers to change the culture of stigma that too often still applies to people who have mental heath problems.

The hon. Lady asked about child poverty, and we all agree that its eradication is an important goal. I am not sure that she agrees with us, however, on the target of eradicating child poverty by 2020. *[Interruption.]* I am glad that the Liberal Democrats are now formally committed to the 2020 and 2010 targets. *[Interruption.]* I am not sure that their commitment is entirely clear. I am interested in how they could achieve that commitment given that their leader wants to cut £20 billion of public expenditure. It will be hard for her to square that circle. I look forward to her trying to do so, but also to working with her on those parts of the Green Paper on which we agree.

Kali Mountford (Colne Valley) (Lab): In congratulating my right hon. Friend on his statement, may I say that it is part of an evolving process over some years whereby the Government have concentrated their efforts on those who are completely isolated from the world of work, who have become used to dependence on benefits, and who have perhaps become comfortable in poverty, which is not a position that we should be satisfied for them to be in? Will he continue to consult those who understand people who have become comfortable in poverty, and not those who feel that people in poverty are scroungers? Does that not preclude consulting the Conservative party?

James Purnell: My hon. Friend is absolutely right to suggest that we should never stigmatise people in poverty and that the vast majority of people on IB want to work. We want to provide them with exactly that support, and that is what Pathways to Work does—it provides them with help to manage and improve their condition and to get back into work. It improves the chances of people being in work from 28 per cent. to 35 per cent., and we want to ensure that everyone has the chance to get that support.

Mr. Peter Lilley (Hitchin and Harpenden) (Con): The Secretary of State will not be surprised that I welcome him announcing policies that I originally enunciated ahead of the 1997 election. I congratulate the three people responsible for today's statement: himself for delivering it; David Freud for persuading him to do so; and my hon. Friend the shadow spokesman for his powers of ventriloquism in spelling out the policies that the Secretary of State has enunciated today.

However, has the Secretary of State committed himself to David Freud's central proposal, which is based on his realisation that getting people into work is good for the workless person and the taxpayer, but that those who find jobs and help people back into work are not rewarded? Will he reward the success of those in the public sector and in the private and voluntary sectors who bid for programmes getting people back into work? Will he pay them by their results? If so, why has he not spelled out how he will deal with the two central problems—parking people who are difficult to get back into work, and creaming off those who are easy to get back into work? Those are the central issues, and he has not even addressed them in his statement.

James Purnell: I am happy to do so. I confirm, as I said in my statement, that we will pay people by results. We are already doing that in the flexible new deal contracts that we are letting, and in pathways. We will take that approach further with the new funding mechanism—the awfully named AME-DEL mechanism. That will enable us to pay people out of future benefit savings. Instead of leaving people on benefits and then paying the cost, the money will be brought forward and invested. That will improve those people's lives and ensure that we save money, which can be reinvested elsewhere.

In the flexible new deal, for example, we will avoid people being parked—as the right hon. Gentleman called it—and left without any help, or cream-skimmed, as he also said, by requiring everybody to do at least four weeks mandatory work. As that requirement will be expensive, it will give providers an incentive to get everyone back to work so that they do not have to spend the money. As we develop our new contracts, we will ensure that people are given the right incentives to help everyone—from those who are hardest to help to those who are closest to the labour market.

Mr. David Blunkett (Sheffield, Brightside) (Lab): I congratulate my right hon. Friend and his ministerial team on today's announcement of measures building on the early new deal and employment zone partnerships—which have taught us a great deal—and on the principles set out by the Government in 2005. I particularly welcome the doubling of the Access to Work budget.

Will my right hon. Friend say something about the timetable for social fund reform, which will be widely welcomed by the 10 major anti-poverty charities with which I have had the privilege of working, and by the 2.5 million people who rely on legal but incredibly high APR repayment rates of more than 180 per cent. and who are caught in poverty as a consequence?

Let me also thank the Under-Secretary of State for Work and Pensions, my hon. Friend the Member for Warwick and Leamington (Mr. Plaskitt), for his tenacity in sticking to the issue and avoiding those who would drag him down with their inevitable conservatism.

James Purnell: I echo those congratulations, and also congratulate my right hon. Friend on the work that he has done. The employment zones, which I believe he started, have been one of the inspirations for our work in giving people more flexibility and rewarding them on the basis of the outcomes that they deliver.

My right hon. Friend was right to point out that reforming the social fund and, in particular, trying to eradicate loan sharks and the terrible damage that they do to many people in our constituencies are at the heart of what we are attempting to do in the Green Paper. We intend to include in our welfare reform Bill powers enabling us to conduct a major pilot to establish how we can reform the social fund so that it can benefit more people, as well as taking significant steps towards getting rid of loan sharks. I look forward to working with my right hon. Friend on those proposals.

Sir George Young (North-West Hampshire) (Con): In his statement, the Secretary of State said that he wanted to give disabled people the right to know how much the state was spending on them, and to request that the money be given to them as a budget that they could control. I welcome that move towards individual budgets, but will the Secretary of State tell us whether they will contain not just the sums that his Department spends, but the money spent by local authorities on adult services and, more radically, by the national health service?

James Purnell: We want to include as many funding sources as possible, and there is wide support for that across government. We have seen the way in which giving people control can improve their satisfaction with services, ensure that those services are much more appropriate to their needs, and reduce costs. We will certainly examine local authority spending, as well as a range of other spending. As the right hon. Gentleman will know, the NHS is piloting its own individual budgets approach, and we have agreed to build on that. We will consult widely on how we can proceed with our radical proposal.

Hilary Armstrong (North-West Durham) (Lab): As my right hon. Friend will know, numerous people in constituencies such as mine began receiving incapacity and other benefits when the last Government closed the mines and steelworks, and we have a deep problem because so many people have been receiving those benefits for so many years. However, I have observed the exceptionally good work of Jobcentre Plus staff and some of the special teams that pathways has put together, and that of organisations in the voluntary sector that are working with people who have given up on themselves and their families. Can my right hon. Friend assure me, and other Members with constituencies similar to mine, that that special work—done, in some cases, by very small voluntary sector agencies—can be continued and strengthened, so that many more people who have given up will find that there are ways back to the normal world of work for them and their families?

James Purnell: My right hon. Friend is absolutely right, and I can give her precisely that reassurance. That is why the commission I have mentioned is looking into how we can maximise the role of the voluntary sector and of social enterprise in helping people. She is right to emphasise the importance of those specialist voluntary groups that provide services that no one else can. She also makes it clear that people in her constituency, and constituencies such as mine, who have been out of work sometimes for as long as 10 or 20 years want help to get back into work. She and I will have met many people who have received such help and who have said, "I wish I'd done that years ago." These proposals will address precisely that situation.

Mrs. Jacqui Lait (Beckenham) (Con): The Secretary of State will know that the best providers in the field of back-to-work support say that it can take five years to get somebody into work. Is he prepared to let contracts of that length, and if he is, will he ensure that, should the Government decide to change the terms of the contract or to walk away from it, they will, in accordance with best practice, negotiate proper compensation?

James Purnell: Yes and yes.

Tom Levitt (High Peak) (Lab): I particularly welcome my right hon. Friend's commitment to doubling the Access to Work budget, not only because it will help more disabled people back into work, but because it will help employers retain in the work force people who, through sickness or disability, might otherwise be lost from it, which would be bad for employers as they would lose skills and loyalty, and bad for the individual, who needs to retain the dignity of work. However, in taking these policies forward, will my right hon. Friend remember that there are wolves in sheep's clothing in this place and that we are hearing some good advice today from Members who in the past told us that unemployment was a price worth paying?

James Purnell: My hon. Friend is right about the importance of Access to Work. These proposals will give employers the confidence to employ disabled people because they will know that the state will be there to help with any costs that are not to be met under the Disability Discrimination Act 1995. They will also help us cope more effectively with fluctuating conditions, and they will mean that Access to Work will no longer be the best kept secret in my Department. We look forward to working with my hon. Friend on making these proposals work.

Sir John Butterfill (Bournemouth, West) (Con): May I bring to the Secretary of State's attention the predicament of a uniquely disadvantaged group of disabled people: the blind and those with severe visual impairment? I know that he and his fellow Ministers have had constructive discussions with the Royal National Institute of Blind People and others representing the blind. Will this group of people now be able to qualify for the higher rate mobility allowance, and can the Secretary of State say how much that is likely to cost and whether it will be possible to meet it from within the budgets he has now been able to establish?

James Purnell: This Green Paper does not cover disability living allowance, so there are no proposals on that issue. The hon. Gentleman is right to say that we work closely with the RNIB on it, and we are not against the principle. Some of our discussions have helped to refine the proposal, but we want to continue to work with the institute on the proposal, and we are also happy to continue discussions with Members of this House on the issue.

Mrs. Joan Humble (Blackpool, North and Fleetwood) (Lab): I welcome today's statement, which will support people into work and out of poverty. Will my right hon. Friend explain in a little more detail how his proposals will help those individuals who face multiple barriers into work? They could be a lone parent, disabled, from a minority ethnic group or lack any educational qualifications. How will his proposals help such individuals?

James Purnell: That is a very important point, and the Select Committee on which my hon. Friend serves has repeatedly spoken about it. It is the inspiration behind the approach to the flexible new deal and what we are doing with Pathways to Work. Instead of grouping people into the new deal for disabled people, the new deal for lone parents or the new deal for 50-plus as we have done in the past, we will have a single new deal—the flexible new deal—which will allow individuals to be treated according to their circumstances, so that we can help them overcome the barriers to work that they face. That is the approach that will be taken with people on incapacity benefit as well. We want to look at whether we can go even further and have contracts that bring people from different client groups together—those on jobseeker's allowance, or on the employment and support allowance—to give even greater discretion to our providers, so that they can help the person across the desk from them, rather than a notional group invented in Whitehall.

Angela Browning (Tiverton and Honiton) (Con): Last week, I tabled a written question asking the right hon. Gentleman to place before the House the work-focused health-related assessment questionnaire that claimants of the employment and support allowance will need to complete from October. I seek an assurance from him that those assessing the applications will have the necessary specialisms to deal with some of the more complex conditions, in particular the range of learning disability and autistic spectrum disorders. There is a tipping point between giving such people the opportunity to work if we can make that happen—we should, of course, do that—and not undermining their ability to maintain independent living. Such living is sometimes obtained only if there is a recognition that it takes a lot more out of them than it does out of other people

James Purnell: The hon. Lady makes an important point. I am afraid that I have not yet seen her question. She refers to probably the worst of our acronyms: the WFHRA—the work-focused health-related assessment—as it is called in the Department. It is perhaps not the best known of things, but it is vital to the system, because it will not only allow the test to be a medical one, but people with medical expertise and people with expertise in getting people back into work will be able jointly to discuss the right approach for the individual. We want to do that much better to help the kinds of people to whom she referred: those with learning disabilities and people with an autistic spectrum disorder. They will be much better helped under this new test, which is based on consultation with people who have expertise about those conditions. This approach also explains why we want to expand the Workprep and Workstep programmes, which are of particular help to people in those categories.

Michael Jabez Foster (Hastings and Rye) (Lab): My right hon. Friend has thought perhaps not the unthinkable, but the now thinkable because of the support that his Government have given people in the position that we are discussing. The mentally ill cannot always do work in the same way, and they can come and go. Flexibility of work is important, and that is often available only in the public sector, so does he agree that the public sector sometimes needs to have an opportunity where the private sector does not achieve things?

James Purnell: My hon. Friend is right to say that the public sector needs to play its part and that we need to use procurement to make a big difference in the agenda that he mentions. We need to change the culture in all areas of our work force, as I am sure he would agree. As we were discussing, we need to remove the stigma around mental health. Our Pathways to Work support helps people to cope with fluctuating conditions by giving them the skills to do so. The higher allowance that people will be able to earn in the new employment and support allowance will allow them to try work for more hours than they were able to do previously and, if that works, they will then be able to move into full-time work. If they then want to come out of work, they can return to their previous rate of benefits without fearing that they will then be stranded on a lower rate of benefit.

Pete Wishart (Perth and North Perthshire) (SNP): There is a story in *The Herald* today suggesting that Glasgow is to be a pilot for all these proposals, but that, surprise, surprise, no announcement is to be made before Thursday. The Chancellor and Prime Minister have been conspicuous by their absence from the streets of Glasgow in the past few weeks. Surely they should now come to Glasgow to explain fully their intentions to the people of Glasgow—if they dare.

James Purnell: I do not know what to say to that. Unfortunately, if we had done the opposite and not included Scotland, the hon. Gentleman would be saying that it was an outrage that we were helping people in all other parts of the United Kingdom but not those in Scotland. As he knows, the election purdah rules restrict what we can say about Glasgow specifically. He should also know that what we are doing in terms of devolving powers to people is based specifically on what people in Glasgow and, in particular, the Labour council, have asked us to do. It has an innovative and radical approach of guaranteeing apprenticeships to all young people. It is doing that in spite of the cuts that his Administration are making to apprenticeships in that country. He needs to step up to the plate to provide the child care, the drugs treatment and the apprenticeships to make this policy work. I trust that he will do just that, rather than scoring political points.

Mr. Gordon Prentice (Pendle) (Lab): My friend told us in his statement that Jobcentre Plus is recognised as one of the best back-to-work agencies in the world. Does he have a target for the number of civil servants that he would like transferred to the private and voluntary sectors to deliver the new proposals?

James Purnell: No, because that would be very much the old agenda of trying to privatise things and this is exactly the opposite; it is to say that we now have the private and voluntary sectors as part of business as usual in the DWP. They deliver a third of our services. That is a massive transformation compared with the system that we inherited from the Conservative party, and we do that because they provide good services. If the private and voluntary sectors or social enterprise organisations can help to improve our services, we should do exactly that. I hope that my hon. Friend will welcome that and back it.

Greg Clark (Tunbridge Wells) (Con): The Secretary of State has been studying our green papers closely and I commend that, but he will know that the proposed right to bid appears in our voluntary sector green paper. We call it the right to supply. Will he implement that fully and, in particular, allow charities and social enterprises to make a return of surplus to reinvest if they succeed, and not limit them just to having their costs returned?

James Purnell: I hope that it will not offend the hon. Gentleman too much if I say that I have not read that particular green paper, which I think was published relatively recently. I think that our proposal was made before his green paper came out. The key point is that we want people who provide good services to be able to make good profits and, if they are in the voluntary or social enterprise sectors, to be well rewarded. Such an approach will improve our services.

Barbara Keeley (Worsley) (Lab): I welcome my right hon. Friend's statement. Lone parents and carers would also benefit from the availability of more flexible work. Will steps be taken to promote flexible working, so that many more such jobs are flagged up and advertised, and many more people can be encouraged back to work?

James Purnell: Yes, that is a good point and it is exactly what we are doing as part of our local employment partnerships and in taking forward the carers strategy. Many carers say that they want to return to work and we have worked closely with Carers UK to ensure that we can deliver services that are specific to carers and to help them to overcome the particular barriers that they face.

Anne Main (St. Albans) (Con): Will there be any restriction, limitation or guidance on the range of occupations that may be expected to be taken up by those who are perhaps slightly choosy about the work that they would like to do? People in my constituency often look around, see a load of litter and ask why it is not being picked up, perhaps by young offenders doing community service, and we are told that that is because such work is considered demeaning. Will any particular guidance be given on the range of occupations that people may be expected to take up whether they like it or not?

James Purnell: That will be up to our providers. That is an example of what I was saying about our not telling our providers exactly how to deliver the service. We will reward them on the basis of results and it should be up to them to determine the kind of work, and combination of work and skills in preparation for returning to work, that will be right for the people for whom it is provided. I do not want to undermine the innovation of the private, voluntary and public sectors by defining from the centre how they should deliver, but we should not be stigmatising people but rather doing what will help them to get back into work. If we end up stigmatising people, we make it harder to do that.

Chris Bryant (Rhondda) (Lab): Ever since the pits closed across south Wales, far too many of my constituents have been consigned to a life of benefits-based poverty, so I wholly welcome what my right hon. Friend says. But one significant problem is that more than 50 per cent. of my constituents on incapacity benefit receive it for mental health reasons, and many employers are chary of employing people with such problems, so what will be done about that? Has he spoken with the Welsh Assembly to ensure that more talking therapies are available in south Wales so that we do not just have people popping pills all the time?

James Purnell: My hon. Friend is absolutely right. Those are vital steps to take to increase the employment rate among people with mental health conditions, which I think is the lowest rate for any of the conditions that we are trying to help people with. We need to remove the stigma around mental health and to improve the provision of talking therapies, as he says, and he will be glad to know that we are in close contact with the Welsh Assembly Government to ensure that we can dovetail our policies. As he knows, the whole approach that Pathways to Work follows was piloted and inspired by work done in Wales, and that is why we are confident that it will be the right approach in Wales as it will be in the rest of the UK.

Mr. Robert Goodwill (Scarborough and Whitby) (Con): As somebody who likes to think that he is on the right wing of the Conservative party, I am thrilled to hear today's statement, which is great news. In that statement, the Secretary of State says that for the 2 per cent. anticipated to be still out of work after two years, mandatory full-time work programmes will be explored. Does he mean that he will explore whether to have such programmes, or explore the details of programmes that we will definitely have?

James Purnell: No, we will spend £20 million on those programmes. It will be a national pilot. We want to work out what works and then roll it out.

Ms Karen Buck (Regent's Park and Kensington, North) (Lab): As a general principle, it is hard to overstate the importance of fathers' involvement in the lives of their children, but people have messy and complicated lives. It would not be unfair to say that the history of Parliament reminds us that not just people on benefits have messy and complicated lives. I welcome the announcement that people on benefits will have maintenance payments disregarded, which is a very positive thing, but will the Secretary of State assure me that women who, for good reason or through no fault of their own, are unable to have a father registered at the birth of their child will not be penalised?

James Purnell: Yes, I can absolutely give my hon. Friend that reassurance. The proposals are based on what has happened in Australia, where they have got the balance absolutely right. The default is that both parents have to be registered, but not when it is impractical or not in the interests of the child. I hope that when she sees our proposals, she will be reassured.

Bob Spink (Castle Point) (UKIP): I broadly welcome this move, which in many ways follows UKIP's welfare to work policy, as it does Liberal and Conservative policies. May I ask how the Secretary of State will ensure that decisions taken by the providers on the type of work and on enforcing work over the mandatory four-week period will be maintained as rational and non-discriminatory? Will there be any appeals? How will the quality of the decision be underwritten?

James Purnell: It is absolutely right that the proposals should be subject to review and that they should be carried out in the right way. I am delighted to see that the hon. Gentleman's parliamentary party is completely united behind his leadership in backing our proposals.

Kerry McCarthy (Bristol, East) (Lab): I very much welcome the proposals in the Green Paper to require people to seek drug treatment if they want to carry on claiming benefit. I have not yet had a chance to speak to many agencies in my constituency, many of whom are providing excellent drug treatment, but I suspect that they would have two concerns. First, it can be quite difficult to provide treatment to people if they are being compelled to attend rather than doing so through their own free will. The second point is on the simple question of funding. Such agencies are already rather overstretched. They would be delighted to be able to offer services to whoever puts themselves forward, but how will they be able to fund that?

James Purnell: As my hon. Friend knows, we have the progress2work programme, which helps people with drug addiction or previous drug addiction to overcome their addiction and get back into work. That is the approach that we want to build on.

This is a radical proposal that was inspired by conversations with people who are recovering or are in recovery from drug addiction. They say that at the moment the system treats them as though they are jobseekers when they are trying to recover. For example, we have been asking people to go to work focused interviews bang in the middle of carrying out their rehab. Clearly, that is the wrong approach. We need instead to work with charities and organisations in the field to see how we can provide them with the employment support and the treatment that they need to ensure that people can get off drugs. Drugs, as my hon. Friend knows, scar families, can scar communities and are a significant cause of poverty. If we can help people to treat themselves, we can help communities too.

Mr. Peter Bone (Wellingborough) (Con): I understand the Government and the Secretary of State's desire to move people off incapacity benefit and on to jobseeker's allowance so that they can get into employment, but there seems to be a flaw in the current policy because 50 per cent. of the appeals against being moved off incapacity benefit and on to jobseeker's allowance are being upheld. Does the Secretary of State have some concern that vulnerable people are being moved off incapacity benefit who should really still be on it?

James Purnell: That is exactly why we want a new test for the employment and support allowance. We think that the previous test did not identify the right people. We think that the new test, the work capability assessment, will do that more effectively. Of course, we want to reduce the level of successful appeals and to take the right decision at the initial stage. The problem is often that people supply different and additional information at the second stage, meaning that a different decision turns out to be needed, which we had no way of knowing in the first place.

Ms Dari Taylor (Stockton, South) (Lab): I warmly welcome the statement. I represent some blind and partially sighted people and the major obstacle we face in terms of Access to Work is making employers confident about employing disabled people. They see the disability, not the ability. How will my right hon. Friend engage with employers to bring them on board and make them feel confident that this is a serious opportunity for them?

James Purnell: My hon. Friend is absolutely right. If we do not use the potential of everybody in the work force, including disabled people, we are, first, not giving them the chance to realise their ambitions and, secondly, not having as successful a work force as we otherwise could. Access to Work will give employers confidence that if there are extra costs, they can be met from the Access to Work budget. It is vital that we change attitudes, and our employability campaign is doing exactly that. Recently, my right hon. Friend the Minister for Employment and Welfare Reform spoke to a primary care trust whose research showed that people who had come off incapacity benefit were less likely to take time off than the rest of the work force. People who had got better and gone back to work were determined not to go back.

David Taylor (North-West Leicestershire) (Lab/Co-op): Success has many parents and failure is an orphan, so it is no wonder there has been such widespread support for the Secretary of State's announcement today. However, one part of his statement bears the unmistakeable leitmotif of the section of the party of which he is a distinguished luminary; I speak of the desire to outsource and privatise anything that is not bolted down. Will he tell the House what standards he will expect and impose on those who will want to deliver services so that he does not finish up in the same situation as his Cabinet colleague, the Secretary of State for Children, Schools and Families, dealing with firms such as ETS, which have a voracious appetite but not the competence to go with it?

James Purnell: Obviously, it would be wrong for me to comment on that issue. We want to use good providers and to choose people who will provide good services. We do not have to choose the cheapest provider; we can choose providers on the basis of quality. We value immensely the work of people in the DWP. It is a very good delivery Department, which has transformed its services over the past few years. We have reduced the head count by 30,000 but improved our productivity and services. We should thank our civil servants more often for their fantastic work.

Geraldine Smith (Morecambe and Lunesdale) (Lab): It is right that when people can work, they do. No one would disagree with that, but what about people who can work only sometimes? There are such people on incapacity benefit and they would very much like to get back to work but they may have difficulty finding employers, particularly in the private sector. It is a lot to expect a small business to take on someone who may be off work from time to time with illness. The public sector has to play a massive role in getting people back to work—not only the voluntary sector.

James Purnell: That is absolutely right. All sectors must play their part. The doubling of the Access to Work budget will help, as will the higher amount that people will be able to earn on ESA—I think it is £86.35—which will allow them to try out work before having to decide whether to come off the benefit.

Points of Order

4.33 pm

Mr. John Baron (Billericay) (Con): On a point of order, Mr. Deputy Speaker. You will be aware that there is chaos in certain areas of the school testing system. The key stage test results have been delayed, an inquiry has been launched and press releases have apparently been issued by Departments, yet the Secretary of State for Children, Schools and Families has still not come to the House to explain the situation and to enable us to ask questions. What can you do, Mr. Deputy Speaker, to help us to put that right?

Mr. Deputy Speaker (Sir Alan Haselhurst): The hon. Gentleman knows that it is not possible for the Chair to command the appearance of a Minister at the Dispatch Box, but even in the dying hours before the recess begins, there may be an opportunity for Members to raise the matter—one can think of such an opportunity in the next 24 hours.

David Taylor (North-West Leicestershire) (Lab/Co-op): Further to that point of order, Mr. Deputy Speaker. Just days ago, I raised a point of order on the inclination of the then occupant of the Chair about such a statement. Could you advise Back Benchers what levers they have, with 24 hours to go before the major recess, to get further details about something that affects so many thousands of our constituents? I speak of course of the ETS debacle.

Mr. Deputy Speaker: Obviously, I am not unaware of the seriousness of the situation for many people, but I can only repeat that there are yet opportunities for hon. Members to seek answers to their questions.

Mr. Peter Bone (Wellingborough) (Con): Further to your ruling, Mr. Deputy Speaker, I have heard a lot of complaints about key stage test results. You say that there are opportunities for Back Benchers to raise the issue in the next 24 hours; will you give me some indication of how we might do that?

Mr. Deputy Speaker: The hon. Gentleman should know by now that there is the opportunity to put forward an urgent question for consideration by Mr. Speaker. There is also a debate tomorrow that takes place on the premise that the House should not adjourn until certain matters have been discussed. As to what may follow from that, I leave that to the hon. Gentleman's imagination.

BILL PRESENTED

MICROGENERATION AND LOCAL ENERGY

Dr. Alan Whitehead, supported by Colin Challen, Andrew George, Peter Bottomley, Mr. Martin Caton, Mr. Elliot Morley, Alan Simpson and Mr. David Drew, presented a Bill to make further provision for the promotion of microgeneration and energy efficiency; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 17 October, and to be printed. [Bill 143].

TOPICAL DEBATE

Bercow Review

4.35 pm

The Parliamentary Under-Secretary of State for Children, Schools and Families (Kevin Brennan): I beg to move,

> That the House has considered the matter of the Bercow review of services for children and young people (0-19) with speech, language and communication needs.

On behalf of the Government, and in particular on behalf of the Department for Children, Schools and Families and the Department of Health, I warmly welcome the important report by the hon. Member for Buckingham (John Bercow) and its recommendations for further action. As my right hon. Friend the Secretary of State for Children, Schools and Families said in his written ministerial statement, under the hon. Gentleman's exemplary leadership, the Bercow report has set

> "a benchmark for future reviews"—[*Official Report*, 8 July 2008; Vol. 478, c. 71WS.]

My Department and the Department of Health want to thank the hon. Gentleman and his team of expert advisers for their hard work over the past 10 months. They have been meticulous in collecting and analysing the evidence, and they have been very effective in involving interested parties in their work. They visited every part of the country, from Norwich to Newcastle and from Westminster to Wigan, and collected evidence from front-line practitioners on the challenges that they face and how those challenges might be overcome. Above all, they have successfully drawn on the experiences of children, young people and families, providing a range of opportunities for them to contribute to the review. For example, the online consultation generated about three times the number of responses that are usually received in similar reviews.

As we all know, the hon. Gentleman has a deep and passionate commitment to this issue. His determination to transform the lives of children and young people with speech, language and communication needs has made the report the success that it clearly is. I think we picked the right man for the job, but I want to make it clear—I know that the hon. Gentleman would agree with this—that the Government did not commission the review because we thought he was a top bloke and an all-round good egg; we commissioned the review because it fits in with the ambitious task that we set ourselves in the children's plan: to make this the best country in the world for children to grow up in.

In many ways, the review encapsulates many of the principles that are at the heart of the Every Child Matters agenda, the children's plan, and all that our Department, in conjunction with the Department of Health and the whole Government, is trying to achieve. The review envisages a service that is universal, but that adapts to the needs and circumstances of individual children and their families. It stresses the need for early intervention, supported by joined-up working by all the professionals and agencies involved.

Nick Herbert (Arundel and South Downs) (Con): Does the Minister appreciate the needs of such people as Sarah Wates in my constituency, who came to my surgery on Friday? She takes a close interest in the issue

[Nick Herbert]

because her son, Alex, has speech difficulties. He was meant to be assessed at the age of two, but he was not assessed until six months later, and they have been trying to catch up ever since. The report by my hon. Friend the Member for Buckingham (John Bercow) stresses the importance of early intervention, as the Minister has done. Will the Minister say how constituents such as Sarah Wates will be helped in future, and how we will ensure early intervention, which is so important?

Kevin Brennan: Such people will be helped principally by the implementation of the review's recommendations. The hon. Gentleman is absolutely right: clearly, there must be an emphasis on early intervention. If there has been a historical fault with these services, it has been that intervention has not been early enough. In his report, the hon. Member for Buckingham has rightly stressed the importance of early intervention—the need for us to commission services that achieve it across different Departments and for us to work together towards the vision and make sure that services are aiming to intervene early, rather than too late.

This is about trying to support the most vulnerable and disadvantaged members of our society and helping children to make the most of their potential. To that end, I visited a school last week with the Secretary of State for Children, Schools and Families, who has joined us today. We met a young man who had had communication difficulties when he first went to secondary school. That manifested itself in bad behaviour, poor achievement and his getting into trouble at school. However, as a result of the measures taken by his school, the young man was able to turn his life around. He described to me and the Secretary of State the feelings that he had when he was frustrated by his inability to communicate and how that had meant that he was getting into trouble with his peers and teachers. He told us how he had turned his life around, a fact that was confirmed during our conversations with his teachers and parents. It is absolutely clear that early intervention is the key to dealing with these issues.

Damian Green (Ashford) (Con) *rose—*

Mr. Lee Scott (Ilford, North) (Con) *rose—*

Kevin Brennan: I have been given a delightful choice. *[Interruption.]* I shall take the intervention of the hon. Member for Ashford (Damian Green), as he has been bold enough to remain on his feet.

Damian Green: On early intervention, one of the most important recommendations made by my hon. Friend the Member for Buckingham (John Bercow) was in respect of the need for local and regional centres. May I draw the Minister's attention to the charity Find a Voice—which is based in my constituency and of which, irrelevantly, I happen to be president—as a possible model? It has achieved tremendous results in directly helping children and adults to communicate better. It has also helped teachers and therapists throughout Kent and Medway with its resource library of communications aids. Obviously, the Minister is welcome to visit, but he should certainly investigate Find a Voice as a model for the future which could be replicated in other areas. It would make a significant practical difference to the lives of many people.

Kevin Brennan: As the review shows, the hon. Member for Buckingham saw all sorts of different approaches taken around the country; they are often imaginative and involve charities such as the one in the constituency of the hon. Member for Ashford. Clearly, they have a big part to play as we commission these kinds of services.

Mr. Scott: Will the Minister examine some of the early interventions and experiences of other countries, particularly those of Scandinavia and Israel? Early interventions there have proved very successful and can help greatly in subsequent years.

Kevin Brennan: The hon. Gentleman is right; we need to learn from abroad. The hon. Member for Buckingham visited Denmark while undertaking his review for exactly that reason: to find out the sorts of lessons that we can learn from abroad.

We have already committed to taking action in each of the areas highlighted by the hon. Gentleman in his report. We are building on the record of investment and improvements to the work force and the targeted programmes of support already in place for those with communication needs. In the past seven years, local authorities' planned expenditure on special educational needs has risen from £2.8 billion to £4.9 billion last year. Since 1997, the number of speech and language therapists has risen by more than a third. Our new inclusion development programme is now ensuring that more new teachers and early-years professionals have had training in speech, language and communication needs.

Mr. Nick Hurd (Ruislip-Northwood) (Con) *rose—*

Bob Spink (Castle Point) (UKIP): Will the Minister give way?

Kevin Brennan: In the interests of fairness to all the parties represented in the House, I shall give way to the hon. Member for Castle Point (Bob Spink).

Bob Spink: Does the Minister intend to take action on the plight of young people with hearing loss, who are suffering from a recent massive increase in the cost of lip-reading classes imposed by uncaring county councils, such as Essex county council, which are not spending their money appropriately?

Kevin Brennan: The role of central Government is to set the standards and framework, and it is for local government to deliver on that. That should be inspected against any action to be taken as and when necessary. I note the point that the hon. Gentleman has made.

Mr. Hurd: The Minister talks about the plans to invest more in speech and language therapy. The Government are spending some £63 million on education in young offender institutions. Research by Professor Karen Bryan and others indicates that perhaps two thirds of inmates of such institutions cannot access those programmes because of their learning difficulties and language skills. Can the Minister clarify how many full-time speech and language therapists are operating in those institutions, and what plans the Government have to increase that number?

Kevin Brennan: I cannot give the hon. Gentleman that information at this point, but I will be pleased to write to him in order to do so. It is vital that we ensure that young offenders have an opportunity to deal with such issues while they are in custody, and that formed part of the discussion in the report. The Government have indicated that we accept that there is a need for action in all areas covered in the report, and that an implementation plan will be published in the autumn.

Mr. Simon Burns (West Chelmsford) (Con): On investment in the education of children through local authorities, is the Minister aware of the fantastic work done at Fairley House school, behind the Tate, where there is a blend of pupils: those from the private sector and—a significant proportion—those who are funded by Westminster city council? However, certainly up to four years ago, the annual fees for that day school were about £18,000, which is a considerable amount of money. What can be done to bring the rest of state sector up to the standards that Fairley House provides for its pupils to deal with their learning difficulties?

Kevin Brennan: We have to approach special educational needs, particularly these sorts of difficulties, from the point of view of the individual child in trying to ensure that we are able to provide the best possible support for them. In the instance that the hon. Gentleman indicates, Westminster city council will have taken a decision that that is the most appropriate provision for such a child at a local level. The more that we can do to implement the recommendations in the report, the more we will raise the standards of what is available at a local level, as well as ensuring that there is more comparability between what is available in local areas, which was a key point in the report.

David Lepper (Brighton, Pavilion) (Lab/Co-op): Will my hon. Friend give way?

Kevin Brennan: I will, as I have not given way to a Labour Member, and then I will make some progress.

David Lepper: I join my hon. Friend in welcoming the report by the hon. Member for Buckingham (John Bercow). Carden school in my constituency was one of those that he visited, and he has acknowledged the excellent work done there. The Minister has emphasised the work being done and support being given in our schools. Does he agree that children's centres have a unique role to play in bringing together the education service, primary care trusts and other services in one location to work on early intervention with children and their parents?

Kevin Brennan: Yes, I agree with my hon. Friend. Like schools, children's centres have an important part to play in the whole programme and approach as regards early intervention and the co-location of services. The 21st century school, working closely with children's centres and so on, will be a place where services are co-located and where early intervention is a natural part of its work.

I will now try to make further progress, as the purpose of these debates is to give Back Benchers an opportunity to participate. *[Interruption.]* I am sure I would be criticised by the hon. Member for East Worthing and Shoreham (Tim Loughton) if I did not give way, so I will not apologise to him.

On 9 July, my right hon. Friend the Minister for Children, Young People and Families launched "Every Child a Talker", a new £40 million programme that will be rolled out to early-years professionals across the country over the next three years. Characteristically, the hon. Member for Buckingham has not pulled any punches in his report. He made 40 recommendations for further improvements to services for children with communication difficulties, and, given the admonitions from those on the Opposition Front Bench, the House will be relieved to know that I do not intend to go through all 40 during the course of this short speech. I can confirm, however, that we agree on the need for action in each of the areas that he has addressed. My right hon. Friend the Minister for Children, Young People and Families has announced that the Government will invest up to £12 million for this purpose. Later this year, we will produce a detailed action plan, setting out how we will implement each recommendation, the relevant time scales and the way we will allocate our investment.

For now, I shall just comment on each of the five main themes of the report. First, we agree fully with the hon. Member for Buckingham that communication is critical for all children and young people, and I can confirm that we will create a ministerial-level communication council. We will appoint a communication champion, who will oversee a national year of speech, language and communication, and we will ensure that good quality information, advice and support are available to parents. Secondly, we agree that early identification of needs and early intervention are vital, and we will introduce measures to improve the monitoring of children across the age range.

Thirdly, we agree that speech and language services should form a continuum around the family. As the report recommends, my Department and the Department of Health will work together to develop a joint commissioning framework for universal targeted and specialist services, and we will do that through pathfinders in a number of local areas throughout the country. Fourthly, we agree with the call for joint working between agencies at all levels, from strategic managers to front-line professionals. As the report says, children's trusts have an important role to play, and we agree that each trust should consider appointing a senior lead on speech, language and communication issues. Fifthly, we agree that there must be greater consistency in the services provided for children, young people and families with communication needs in different areas of the country. We will, therefore, use our commissioning guidance to promote better monitoring of performance. In particular, we will encourage better use of the data on the educational attainment of children and young people with speech, language and communication needs.

Once again, I thank the hon. Member for Buckingham for his excellent work on these important issues. His review challenges us to support local areas and front-line professionals in transforming the lives and prospects of children and young people with speech, language and communication needs, and we will do our utmost to meet the challenge that he has set for us.

ROYAL ASSENT

Mr. Deputy Speaker (Sir Michael Lord): I have to notify the House, in accordance with the Royal Assent Act 1967, that the Queen has signified her Royal Assent to the following Acts:

Appropriation (No. 2) Act 2008

Finance Act 2008

Sale of Student Loans Act 2008

Special Educational Needs (Information) Act 2008

Statute Law (Repeals) Act 2008

Regulatory Enforcement and Sanctions Act 2008

Health and Social Care Act 2008

Criminal Evidence (Witness Anonymity) Act 2008

National Insurance Contributions Act 2008

London Local Authorities and Transport for London Act 2008

Bercow Review

Question again proposed.

4.53 pm

John Bercow (Buckingham) (Con): It is a pleasure to follow the Under-Secretary of State for Children, Schools and Families, the hon. Member for Cardiff, West (Kevin Brennan), and I am particularly grateful to him for his generous remarks this afternoon. I would like to take the opportunity to acknowledge and pay tribute to the Secretary of State for Health and the Secretary of State for Children, Schools and Families, who have been unstinting in their support and encouragement of me in this venture during the past 10 months.

A great many colleagues have engaged with the review, either by inviting me to visit a pre-school, primary school, secondary school or somewhere with post-16 provision, or by making a written submission. To each and every one of them, for their contribution to an important task, I am greatly indebted. Although it is invidious to single out an individual, I am moved to pay a special tribute to someone who has gone the extra mile—way beyond the call of duty—in submitting material to me and offering me personal support and encouragement throughout, and that is the right hon. Member for Sheffield, Brightside (Mr. Blunkett), whom I am delighted to see in his place.

The Under-Secretary referred to the process through which my colleagues on the review advisory group and I have gone in the past 10 months. We have sought evidence from four different sources. First, we launched an online consultation questionnaire in October, to which, on the due date of 18 January, we had received more than 2,000 replies, of which just over half were from parents, telling us what they thought, what worked, what did not work, and what was needed.

Secondly, we staged a series of focus or consultation groups around the country, calling on children, young people and their parents to offer their impressions of the state of services. In addition, we thought it justified and prudent to stage two particular focus groups on the thorny questions of augmentative and alternative communication under the auspices of Scope on the one hand, and of provision for young offenders, courtesy of the Prison Reform Trust, on the other.

Thirdly, as the Under-Secretary said, we went round the country, visiting pre-schools, primary schools, secondary schools and post-16 facilities. A plethora of different examples were presented to us. We wanted to see not only London and the south-east but the midlands, the north and the south-west, urban and rural areas, mixed communities, different social cohorts and so on, to get the widest possible representative picture of what currently is—and is not—on offer.

Finally, we thought it right to secure the services of some noted and distinguished academic researchers in speech, language and communication, a group of whom have engaged in a detailed project to look at service provision in six different areas, and seek to adduce evidence from their studies, the better to inform future policy making and the prospects of necessary and beneficial research.

We have formed some fairly clear and explicit conclusions, based on what we saw around the country. Without doubt, some excellent professionals and high-quality services are out there, but, on the whole, the current state of speech, language and communication provision is highly unsatisfactory. Access to information and services is often poor; the quality of services is very mixed; continuity across the age range is lacking; joint working between health and education professionals, which is so critical to achieving success, is rare, and the system is characterised by high variability and a lack of equity, the short-hand translation of which is that a postcode lottery currently exists throughout the country. Above all, the priority attached to communication is too low. In our judgment, that must change.

David Tredinnick (Bosworth) (Con): I congratulate my hon. Friend on the report. I wrote to him about specific problems in my constituency with the recognition and treatment of dyslexia. Will he say a word about his findings about the more difficult conditions of autism and Asperger's syndrome, which appear increasingly to affect children nowadays?

John Bercow: I certainly will pick up on the theme that my hon. Friend has identified, because it is essential to cater for all the groups on the spectrum. I will say something more shortly about the need for a broad range of provision.

The Under-Secretary referred to the five themes around which the review's recommendations have been formulated. Communication is crucial—it is the key life skill that enables children to learn, achieve, make friends and interact with the world around them. It is a vital part of the equipment of citizenship, yet all too often it has not enjoyed that priority in the minds of commissioners or policy makers. Sometimes an unwritten, unspoken and—dare I say it?—lazy assumption has been made that children will speak when they are ready, and other important aspects of the children's development agenda have tended to elbow speech, language and communication out of the way.

That is why we have recommended the creation of a ministerial communication council upon which both the Department of Health and the Department for Children, Schools and Families would be prominently represented. We believe, too, that an identified individual with relevant expertise and commitment—a communication champion—should be appointed to drive forward the process of implementation, to report to the communication council, to raise awareness and to disseminate best practice. The communication champion will, over time and after appropriate and due preparation, have responsibility for overseeing and running the national year of speech, language and communication.

As part of that process of investing in speech, language and communication services and making them a great priority, it is right that information at key ages and stages of a child's development should be proactively made available, in a readily accessible form, to children, young people and, in particular, their parents, charting the normal course of communication development, indicating where a person should go if there is a difficulty and advising parents on how best they can assist in the process of bolstering their children's speech, language and communication development. That concept—that communication is crucial—accompanied and reinforced by a series of specific recommendations, is very important.

The Minister rightly referred to early intervention. At the risk of being marginally pedantic, I would like to describe it as early identification and intervention. If we are to identify early, we need regular monitoring and surveillance of children's speech, language and communication development at key ages and stages. We have not been over-prescriptive—there is scope for differences of opinion on the exact point at which it is most appropriate to undertake the monitoring; indeed, there is also scope for local variation in what is judged to be right—but the principle that monitoring and surveillance should be done, that it should be done regularly, and that it should be done with a view to securing a signpost to appropriate assistance if there is a problem, is important and, indeed, inviolable.

We all know that if we intervene early when there is a problem, the child has a better chance, other things being equal, of overcoming the difficulty, accessing the national curriculum and fulfilling his or her potential. The logical corollary of that is that if we do not intervene early, the problems mount: emotional and psychological difficulties, behavioural problems, lower educational attainment, poorer employment prospects, persistent communication impairment, challenges to mental health and, in extremis, even a descent into offending and reoffending. That is why it is so important that we intervene early, both through that monitoring and surveillance, and by making speech, language and communication a prime component—a centrepiece—of the work of all children's centres.

Mr. David Blunkett (Sheffield, Brightside) (Lab): I thank the hon. Gentleman for his enormous generosity towards me. I also congratulate him on an excellent piece of work and on persuading the Government to have a year dedicated to bringing it alive and implementing its recommendations. I would like to pick up his point about early identification. Following my hon. Friend the Minister's comment about point three of the five-point plan, may I suggest that in the identification process, we need to take account of the fact that for many children—not all, but many—there will have been a problem in identifying speech, language and communication difficulties in their lives already, before they reach a statutory group or even before they are identified by Sure Start, and that it is very important to work with the family, not just the child, on bringing alive that child's talent and capability?

John Bercow: The right hon. Gentleman could not have put it more powerfully if he had tried. That early intervention is incredibly important. Yes, it involves the child, but it is important to ensure that we have the benefit of the services of multidisciplinary teams. Precisely which representative will be relevant in a particular case will vary from one situation to another, but we need to have speech and language therapists, teachers, classroom assistants and special educational needs co-ordinators as part of the mix. Indeed, health visitors might be needed in certain circumstances, too. Some flexibility in that process is important.

Reference has already been made to the continuum of services, and I want to underline that we need to ensure that, through effective joint commissioning between education and health services, we commission services that are across the piece. They should be universal services that can be of benefit to all children and young

[John Bercow]

people who need to have their capacity to communicate taught, honed and nurtured. We need targeted services for those who require a little additional help—sometimes only for a short period and sometimes for longer—and specialist services, which are often tailored for the benefit of those with acute and ongoing needs, who will realistically require extensive and specialist provision, including therapy, sometimes for long periods.

I simply say, in all courtesy, to the Government that I have made recommendations in respect of augmentative and assistive communication—that is to say, for those who require communication aids—and in respect of the requirements of young offenders, about which there is still some anxiety and scepticism. My message to the Government is that in taking this process forward and securing what I hope will be the advantageous implementation of the report's recommendations, we must be sure that we do more than just the easy stuff. We must cater more widely than just for those with relatively minor difficulties and those who need low-dosage intervention, of whom there are large numbers. They are incredibly important, and Ministers are right to highlight those cases. However, we also have a duty to do more—to do all that is necessary—to bring benefit to those whose needs are the most acute. A child or young person who requires an expensive piece of technological kit in order to have a voice is deeply needy. They might be non-verbal, and in such situations we must stop at nothing to ensure that the appropriate help is provided. We must not fight shy of knowing the scale and incidence of the challenge with which we are confronted.

In taking forward the pathfinders, we will learn a great deal. There will be five areas involved, and I am grateful to the Government for the fact that they will be funded by the Department for Children, Schools and Families or the Department of Health—they can fight about that between themselves—and will have a responsibility to assess need, to devise services, to secure the appropriate skilled work force, to put the processes into effect, to monitor the outcomes and to report the results. That means having a work force, to boot, which is why we have recommended that speech, language and communication must be at the heart of all the qualifications leading to the integrated qualifications framework. Qualified teacher status must demand a greater knowledge of, and—to a degree—expertise in, speech, language and communication. It is also right that speech, language and communication should be a core requirement and an elective module of the new master's degree in teaching and learning, on whose introduction I congratulate the Secretary of State for Children, Schools and Families.

Joint working must be to the fore, but I am sorry to say that at the moment, that principle is honoured more often in the breach than in the observance, especially at the level of strategic planning and priority setting. That is why I have said that we should let each children's trust designate an appointed person to drive forward the pursuit of improved speech, language and communication outcomes. I speak possibly as the voice of cynical experience when I say that I have a sense that if something is everybody's responsibility, ultimately it is no one's responsibility. If we name an individual and give him or her a task, set the benchmark, require the assessment and demand the performance, at least there will be a likelihood of a catalyst for improvement. Certainly, the public would have someone to whom they could properly direct their complaints or representations if success were not achieved.

Tackling postcode variations is critical. Local variation, local initiation, local social entrepreneurship, and local variety depending on the make-up of one area relative to another are of course valid and necessary. However, we need to make some sort of core offer to children and young people that they can depend upon. They need a certain level and type of service, irrespective of the part of the country in which they happen to live. In that regard, I perhaps risk upsetting the Opposition Front-Bench spokesman, my hon. Friend the Member for East Worthing and Shoreham (Tim Loughton), but I say that there is a compelling case for the continuation of early-years targets beyond 2011, and for working towards the development of a national indicator on speech, language and communication as the prelude to a public service agreement target post-2011.

Mr. Deputy Speaker, I have to say that engagement in this review has been the single most stimulating and rewarding endeavour of my 11-year parliamentary life. It is about two things. It is about helping needy, marginalised, vulnerable and sometimes frightened young people, because that is the right and decent thing to do. I have a child who is so affected, and I make no apology for trying to do my best to ensure that other children get the sort of excellent help that my son Oliver is receiving.

However, this issue is not just or even mainly about compassion or niceness or being decent; it is also about the authentic self-interest of Britain plc, because tackling these problems is relevant to the educational attainment agenda. It is relevant to the greater qualifications agenda, to the acquisition of vocational skills agenda, to the fight against antisocial behaviour agenda, to the improvement of public health agenda, and to the pursuit of the commercial advantage of UK plc in an age in which a job for life is a relic of the past and the premium placed on speech, language and communication in today's knowledge economy is greater than ever. If in my small way, with the assistance of a fantastic advisory group and the support and engagement of parliamentarians throughout the House, I can broker an improvement in services for, and the life chances of, these vulnerable children and young people, I can say that I shall die a happier man—although not, I hope, just yet.

5.11 pm

Hilary Armstrong (North-West Durham) (Lab): I too congratulate the hon. Member for Buckingham (John Bercow) on his report, which will stimulate a great deal more thinking and many more ideas. In a sense, he finished where I want to begin, with the point that paying attention to this issue is absolutely critical for the future of this country.

An interesting report was published by the Institute for Public Policy Research last November, entitled, I believe, "Freedom's Orphans". It examined two cohorts of children—we are very good at longitudinal studies in this country—born on a particular day in different years and looked into the differences in their lives. What it showed, among many other things, was that the very skills that people need to get the jobs available these days—skills centred on basic good communication—are frequently not developed. It showed that too many children are growing up without the experience of really good interaction with adults, so they do not acquire the negotiating skills or the communication skills required for them to get what they want. For example, they often do not make eye contact or convey the sort of things that we often take for granted. That means that they are unable to get jobs in call centres or in the service industries—the sort of jobs available for them today.

That report stimulated my interest in this topic, and I have also had a lifelong interest in trying to improve education. I think that we have too often missed this crucial issue as we have sought to develop educational opportunity for all, trying to give everyone a fair chance in this world. I would have liked to deal with many issues in the Bercow report, but I am going to confine myself to two areas. The first, which is centred on the work force, I shall touch on only briefly.

The hon. Member for Buckingham is absolutely right to say that we must take far more seriously the point that the whole work force must have appropriate training and support in order to tackle these problems with all the children they work with; but we must also try to identify precisely and at an early stage when things are going wrong, and subsequently develop a series of strategies to intervene effectively.

I was in a primary school a couple of weeks ago, where the teacher identified to me—privately—two children in the class whom she was worried about. Both of them lacked effective communication and language skills. For one of them it was straightforward to see why; for the other it was much more difficult. The teacher was saying, "I don't feel I have the knowledge or understanding to help these two children adequately." I was horrified, because that simply should not happen today. Across the board, attention to the work force is absolutely critical.

It will not surprise the hon. Member for Buckingham to hear that the second issue that I want to speak about is early identification and intervention. I am absolutely convinced that that can be done much more systematically and rigorously than at present. As we have provided many more children's centres, with access for every family, we must do more than just hope that children are identified: when it is clear that there will not be normal speech, language and communication development in families, we must rigorously ensure that those children are identified and worked with early.

I have told the House previously that I have taken up again with NCH—soon to change its name—and had the privilege of visiting some of the children's centres in which it is involved in the Northumberland area, including the Ashington children's centre. NCH's briefing for Members highlights its work, which includes employing language development workers to identify at an early age children who have, or are at risk of, speech and language delay or disorder. It offers individual outreach support to families, who will be visited over a six to eight-week period. It is finding that addressing the problem early through such support to the family results in much less reporting to specialist speech and language workers later. By the time such children start school, they are at the same stage as every other child. That is the direction that we need to take.

As the hon. Gentleman's report says, those in prison have huge communication difficulties, and that is because we failed earlier. Failure in communication skills frequently leads children and young people into lifestyles that they did not start off wanting to get into, but they end up in the juvenile justice system and then in prisons. Once we know that we can do something about that, we have no excuse not to do it. We have programmes that deliver the rigour and sustained activity that will transform children's lives and opportunities. We have no option but to use those intervention programmes to identify children early, and to address speech and language difficulties so that they do not become behavioural and other difficulties as the children grow older.

I thank the hon. Gentleman for his contribution, and I also thank my hon. Friend the Minister, because I believe that the Government will get hold of this issue and transform opportunities for millions of children in the future.

5.19 pm

Annette Brooke (Mid-Dorset and North Poole) (LD): I congratulate the hon. Member for Buckingham (John Bercow) not only on his review and his leadership, but on the persistence with which he has raised these issues since his election to Parliament, which has contributed to both the report and the Government's positive response.

My eyes were first opened to the deficiency in this area more than 12 years ago, when I talked to parents whose children had just completed their schooling at a special school for those with mild learning difficulties. It became clear that if the children's speech, language and communication needs had been addressed at an early stage, some of them might well have gained access to mainstream schools, and their educational outcomes at 16 would have been very different. The consequences of not dealing with such issues in an appropriate and timely way are lost time and, it could almost be said, lost lives. We should consider the behaviour of children who are frustrated when they cannot communicate as they wish to, underperformance, and involvement in the criminal justice system with all that that implies. I sincerely hope that no more time will be lost, and that none will be lost in implementing the report's recommendations.

The report identifies five key themes. Although—like the right hon. Member for North-West Durham (Hilary Armstrong)—I shall focus on early identification and intervention, I think it important for all five of those themes to work together to bring about the outcomes that we desire. In the short time available, I shall concentrate on just a few of the issues that they raise.

First, it is important to remember that communication is a two-way process. While the needs of the child are central, we must take account of communication within the family, communication between nursery and teaching staff and the child, and communication in many other contexts. Sadly, features of today's society are contributing to basic communication problems: the lack of conversation between adults and adults, adults and children, and children and children, in the home and in play. That in turn derives from the tendency towards TV meals and time spent with television, DVDs and computers in the bedroom.

[Annette Brooke]

At the more severe end of the spectrum of needs is the importance of not just early identification but appropriate follow-up intervention, both of which require a skilled work force. I particularly welcome the report's recommendations in those areas. Miscommunication is all too easy if, for example, a teacher interprets lack of eye contact as challenging behaviour, rather than picking up signals about special needs. We need a balance between specialist training and general special needs training. The latter is now belatedly being included in teacher training courses, but in my view it should have been tackled before we embarked on our main inclusion agenda.

There should be clarity about when a specialist speech therapist is needed, and when the more generic approach of training teachers and early-years workers in specific skills will be sufficient. Clear assessment and planning must take place to ensure that there are enough speech therapists. I am sure that all Members have been visited by parents who tell them that a son or daughter should be having speech therapy, but nothing has happened throughout the term.

It is all too easy to tick boxes, suggesting that a service is being provided, even when children are not being given the specialist therapy that they need for their particular conditions. I believe that all children with a given degree of speech impairment should have access to specialist nursery provision or to specialist services within mainstream provision, such as those provided by I CAN. Such services should be provided within reasonable travel distances, and consideration must be given to transport provision. Behavioural problems can so easily develop at an early age, threatening a child's whole future.

I mentioned the two-way process of communication. Let me give a couple of examples to which I particularly relate. One involves sight-impaired children who do not have the appropriate text books in an appropriate format. Those need to be provided. How can such communication take place if there are no books in the appropriate format, particularly text books? On the hearing-impaired, I understand that some teaching assistants are not fully qualified in sign language. It is not just a question of having the technique of sign language; there needs to be an interpretation process as well. I am told that national vocational qualification level 2 in sign language is not sufficient for the interpretation of lessons. I emphasise the importance of this two-way communication process.

Sadly, from personal experience I can relate to the remarks in the review, and the comments made in evidence, about the ping-pong between health and education budgets. I have often heard it said, "No, that's not up to us to provide; that has to come out of health money."

I also relate to the issue of there being different boundaries. In my constituency, the boundaries between the children's services and the primary care trusts are not coterminous, with the consequence that much is not considered.

The report makes important recommendations on commissioning, to get us out of these traps. I endorse—

Mr. Deputy Speaker (Sir Michael Lord): Order. I am afraid the hon. Lady has had her six minutes.

5.26 pm

Mrs. Sharon Hodgson (Gateshead, East and Washington, West) (Lab): It is a pleasure to speak in this debate and an honour to follow the hon. Member for Mid-Dorset and North Poole (Annette Brooke), who made a typically thoughtful and considered contribution. I am glad that time has been found for this excellent report to be discussed before we break for the summer recess.

I must begin by congratulating the hon. Member for Buckingham (John Bercow) on his report. It is the culmination of a great deal of work, and his expertise on these issues means that it should be treated as an authoritative framework for improving the outcomes of children with speech, language and communication needs—SLCN. As always, his speech was an oratorical tour de force which demonstrated not only a broad range of expertise on this topic, but also an ability to articulate the challenges facing children and parents in a way that commands attention and urges action from those listening. I had the hon. Gentleman's support for my private Member's Bill on special educational needs—SEN—and I am thrilled that it has now received Royal Assent. I know what a powerful advocate he is for those children who face a tougher start in life because of their own unique needs, and I would like to repay some of his support by stating that I will help in whatever way I can to ensure that the recommendations of this report become realities.

The five areas the report highlights are eminently sensible. I do not wish to make a lengthy contribution; instead, I shall look briefly at each of those five areas in turn, and highlight one or two recommendations that I believe stand out.

It is clear that more needs to be done to establish the fact that "communication is crucial". There is something of an irony in that point. It is often said in this Chamber that it is the responsibility of those who have a voice to use it on behalf of those who do not. Although we all know that SLCN comes in many different guises and that it is often not directly linked to speech problems, I still think it worth expressing that well-used political mantra today, because to some degree that is what this report calls on the Government to do if we are to make further progress.

I know from personal experience how difficult things are for a child with SLCN, and the frustrations and hurdles that they must face. Many Members will know from previous debates that my son, Joseph, is severely dyslexic. He did not start to speak until he was three. His problems, and those we have faced in order to try to get his voice heard—as it were—are just one example among millions throughout the country, but they are the ones with which I am most familiar, so I ask Members to forgive me if I use his story as a reference point on occasion.

There is a strong case to be made, because it should be self-evident that without the ability to communicate clearly, the chances children and adults have to reach their full potential in life may be limited. The numbers of such adults and children are not insignificant; there are places in this country where more than 50 per cent. of pupils have some form of SLCN. More broadly, there are estimated to be more than 1 million children throughout the country with SLCN. That is why the recommendation to establish a communication council should be fully supported by the Government.

I hope and expect that the opportunity that the report provides to do the things it recommends will not be missed. My attention was drawn to recommendations 5 and 7, which concern the provision of information. I am sure that hon. Members all know by now that I was lucky enough to be drawn second in the ballot for private Members' Bills and that my personal experience drove me to draft a Bill designed to support children with SEN. In my discussions with parents, charities and educational organisations, it became strikingly clear that without available and accessible information the path of progress would always be far more long and winding than is necessary. The consensus on that opinion and the conviction with which it is held make those recommendations stand out as particular priorities. Parents cannot make informed decisions about the education of their children without information, so we have an obligation to provide it if we are serious about raising outcomes for children with SEN and SLCN. I hope that the recommendations on information will be swiftly carried out.

The case for early intervention is well established, and we know that investment in the early years of a child's education will reap rewards further down the line. Of course, the most important benefactor of those rewards is the child, but it is always worth pointing out to those who fund support services that money laid out early in a child's life can often be saved tenfold in later years. That is why I agree strongly with the charity TreeHouse, which says that there is a strong need for a cost-benefit analysis of effective interventions. I add my full support for each of the recommendations on early intervention. The remit of the Rose review has already been extended to look at the most effective ways of supporting children with dyslexia, and one hopes that there is no insurmountable reason why it could not be extended again to cover SLCN.

The development of a child is a joint responsibility of the family and the state, which is why it is so important to ensure that services are developed with the family in mind. Thus, I welcome the third section of the report, which also contains recommendations relating to the work force, all of which are sensible not only because of the impact they could have for children with SLCN, but because of the positive impact they could have on tackling the wider challenges facing teachers, who do not feel adequately prepared to identify and then support children with SEN.

I have raised previously in this House the fact that there is scope for increasing the content on both SLCN and SEN in initial teacher training. Recommendation 23 rightly states that the new masters in teaching and learning should almost certainly have a core module covering SLCN and wider SEN. That would provide a welcome sign that the potential that that masters offers for the ongoing professional development of teachers will not only be realised, but will be of vital benefit to all children.

So much of our success in working with children comes when people are willing to work together, with the best interests of the child at heart. I am sure that Ministers in the Department for Children, Schools and Families will work closely with those in the Department of Health to try to ensure that no child is allowed to slip through the net. It is key that parents and schools should also work together and communicate with each other as they both monitor the progress of all children, not just those with SLCN and SEN. I know that that is usually the case.

The last of the five areas into which the report is split focuses on ensuring consistency and equity for families. For too long, the provision for children with SLCN and other SEN has varied wildly depending on where in the country one lives. Joseph received speech and language therapy from when he was 18 months old when we were living in Gateshead. When he was seven, we moved to the London borough of Merton and that vital speech therapy came to an end, because Merton said that he did not need it as his speech fell within the "normal" range. We moved back to Gateshead, and Joseph was reassessed when he was 14 years old. Strangely, Gateshead's authority said that it thought he would benefit from speech therapy. As a parent, it is hard for me to come to terms with the fact that, as a result of my work and my moving around the country, he has lost out on seven years of priceless speech therapy. As a policy maker, I am annoyed and frustrated that this patchwork quilt of provision exists, and I believe it is up to this House to bring that shameful reality to an end.

The wild variation in experiences, and the supporting figures, should not be perpetuated by a similar variation in provision and action. I was particularly pleased to note recommendation 39, which states that the Government should make available

> "as much data as possible…about the educational attainment of children… with SLCN".

Not only is educational attainment important; other factors are also significant, including emotional and physical well-being.

Clarification is required as to which groups the recommendations apply to. For example, one would assume that the report includes deaf and hard-of-hearing children, but that needs to be confirmed, and I hope that the Minister or the hon. Member for Buckingham will do so today.

The beauty of the report lies in the fact that many of its recommendations appear to be so blindingly obvious. Its strength is in the way that it pulls together the different strands that need attention and spells out a clear and coherent plan for dealing with them. Of course, a strong and persuasive argument can appear to have been obvious all along, but the reader of this report will be left in no doubt about what needs to be done, and that is thanks to the hon. Gentleman's tireless work. His skill, intelligence and good-natured tenacity have ensured a first-class report, and I congratulate him again on his commitment. I promise him that I shall ensure that not only as many people as possible read this vital report, but that, more importantly, they act upon its recommendations as soon as possible.

5.36 pm

Mr. Nick Hurd (Ruislip-Northwood) (Con): My hon. Friend the Member for Buckingham (John Bercow) has long been a champion of those who struggle to communicate and this report does him enormous personal credit. He is also groundbreaking in pushing the Government to be bolder in going for earlier intervention and adopting the policies of prevention.

I want to address my brief remarks to one specific section and that is young offenders, 7,000 of whom enter young offender institutions every year, two thirds

[Mr. Nick Hurd]

of whom will reoffend at enormous cost to society. The key to getting them back on the straight and narrow, as it were, must lie in improving their literacy and social skills and their prospects of securing some employment in the future. We must be honest in recognising that these skills are not being picked up in schools, because far too many of these children are not engaged in the school process at all.

To be fair to the Government, they are investing in this area. Spending on education in young offender institutions has risen from about £18.5 million a year in 2001-02 to something approaching £63 million in 2006-07. But the question is whether we are getting results from that investment. Are we paying sufficient attention to the evidence from the research of Professor Karen Bryan and others that perhaps two thirds of the inhabitants of those young offender institutions cannot engage with the education process because they simply do not have the literacy and communication skills required? Are we wasting money and time? It feels as though it is time to think again, because on the one hand we have the huge cost to society of reoffending and the growing cost to the taxpayer of education in these institutions, set against the relatively small cost of earlier intervention in speech and language therapy to ensure that more of these young people can access these programmes. The research of Karen Bryan and others, dating back to 2001-02, shows that reoffending has reduced by 50 per cent. in those small pilots of children who have benefited from speech and language therapy. That is a big number, and it suggests that we need to build on that research.

We are getting warm words from the Government. There was a reference in response to this excellent report in the youth crime action plan, but the reality that has been brought out by other speakers is that the provision of speech and language therapy falls between Departments. There has been no systematic research on the impact of speech and language therapy on reoffending since 2005. I asked the Minister how many full-time therapists were working in the custodial estate and he did not know. I can tell him. He does not need to refer to the officials. It is one, and that is inadequate.

There appears to be some paralysis in the system because the Government tend to take the view that provision should be driven at a local level, and my political instincts lead me to have some sympathy with that view. It is a good theory, but the problem is that it is not working in practice.

Even if the Government cannot bring themselves to cut through the inertia and apathy by spending a tiny amount of money—speech and language therapy costs £33,000 a year across 17 institutions, so we are talking about a sum of less than £1 million that could make a difference—and to drive this from the centre, surely there is more that they can do in two key areas. As a bare minimum, we should be investing more in systematic research to improve our understanding of whether speech and language therapy can be deployed on a bigger scale in young offender institutions and in larger scale prisons.

We need a bigger scale study of the impact on reoffending of wider provision of speech and language therapy. We see no movement from the Government on that at all, just inertia.

John Bercow: My hon. Friend poses legitimate challenges to Ministers. Does he not agree that if, at present, significant numbers of those communication impaired young offenders attend educational and training courses only in an entirely perfunctory and tick-box capacity and gain little or no benefit in the process, the Government should be willing, if not to increase overall resources, to top-slice the education budget in young offenders institutions and ensure that some of the money is used to good effect rather than to nil effect?

Mr. Hurd: That is an extremely helpful intervention and reinforces the point that I was trying to make. We are spending £63 million a year on those institutions—£8,000 per pupil—and the fundamental question is whether that money is being spent wisely or whether a fraction of it could be diverted to improve the efficiency of that spending.

At the very least, we should be investing in more systematic research and sending a much stronger signal to primary care trusts and the governors of these institutions about the need to identify and meet demand. It is difficult to add anything to the words of Lord Ramsbotham, a previous inspector of prisons, who said:

> "In all the years I have been looking at prisons and the treatment of offenders, I have never found anything so capable of doing so much for so many people at so little cost as the work that speech and language therapists carry out."

Those words were uttered some time ago; the Government have not responded. I have to say to the Minister that the apathy on his Benches is failing offenders, failing victims and failing taxpayers.

5.41 pm

Mr. Douglas Carswell (Harwich) (Con): I welcome this debate, and salute my hon. Friend the Member for Buckingham (John Bercow). He has done a very good thing. Members of this legislature ought to be willing to think and act independently. Regardless of what colour rosettes members of the Executive might wear, elected MPs should be willing to look at public policy problems in the round.

Services for children with speech and language needs are not good enough. We have a real problem and I do not think that the status quo will do. With language therapy in particular, the provision does not seem to match the need. Unfortunately, I do not think that it is purely down to a lack of money. Generally, special educational needs provision is not good enough. The statementing process tends to be very confrontational and bureaucratic and, in my experience, quite discriminatory. It favours persistent parents and the articulate. In my experience, the hurdles that it creates trip up those who are most likely to stumble in the first place.

The report is worth while and I agree with what it says. However, I am slightly sceptical on one or two points, as I fear that too much of the report addresses symptoms. Symptoms need to be addressed and to be tackled, but more could be and needs to be done to tackle the causes. The cause of the problem is that the resources that will by definition always be finite—resources are always finite in any system—are being allocated more by bureaucratic fiat than by individual choices. Only those who are able to tackle the bureaucracy can exercise choice. Having advised more than two dozen parents in my constituency about how to tackle the system, I am aware of just how dreadful it can be.

I want to talk briefly about what I mean by addressing symptoms rather than the fundamental cause—the malaise. The provision of better information and advice is obviously needed—it is a good thing and we want it—but, in any system, when the end user is denied information that usually suggests that the system itself is failing. The system lacks accountability. When poor information is symptomatic of a wider failing or when the end user from any walk of life is kept in the dark and denied information, that is usually indicative of a wider unresponsiveness—that, too, is the case with special educational needs services.

I wonder whether Google and the internet might not be better at providing information than any Government or state-run initiative. Informal networks of parents and self-help groups may already be forming and sharing advice on how to tackle the system. Rather than just providing information, we should be focusing on making the system more responsive.

My hon. Friend the Member for Buckingham is right to recognise the unquestionable fact that there is a postcode lottery, but surely it exists because the system is unresponsive. There is a lottery because provision is unresponsive and comes from the centre. The service people receive is random because it depends on where they live—they cannot do much about it. If the system was more responsive and more tailor-made to the individual and the locality, we could solve the problem. That a postcode lottery exists is not an argument for more centralised target setting, but makes the case for making public services more responsive.

Similarly, I am slightly sceptical when the report calls for officials to help to spread best practice. What report nowadays does not recommend that? Obviously, we want what works to be replicated and to replace what does not work, but innovation does not necessarily come from official champions and from the top down. In the age of Google, the point is that systems should allow best practice to replicate itself. If we are serious about allowing what works to be replicated and adopted elsewhere, the key is to make the system more responsive.

I welcome the call for early action. In several of my constituency cases, months and even years have been allowed to elapse before the local education system responded. Young children have been badly let down. Had there been intervention, action and, as my hon. Friend said, identification at the age of two, three, four or five, rather than much later on, the life chances of those children would be much better. Lack of early intervention is yet again symptomatic of an unresponsive system.

I have one or two ideas about what a future Government should do to tackle the cause of the problem—the unresponsiveness of the system. First, there would be great merit in allowing certain special schools the freedom to become special schools with academy status, which would allow them to develop to meet special educational needs as they see fit.

Secondly, we need to review the statementing process. A friend of mine, Sir Robert Balchin, has suggested that we replace the statementing process with a special needs profile. Rightly or wrongly, many parents feel that statements are issued on the basis of how much cash is available. Clearly, if the body issuing the statement is the organisation that manages the budget for SEN provision, the way it does one of those things might affect its regard for the other. However, although I welcome Sir Robert's proposed change, I do not think it goes far enough. Money concerns alone do not explain the reluctance of some local education authorities to issue statements; dogma is at work, too.

Finally, I wonder whether the lack of responsiveness that accounts for much of the problem that the report tries to address could be solved by giving the parents of children with special educational needs a new legal right. Could we enshrine in law a right that would allow them to request and receive control over their child's share of local authority funding—however the size of the pot was determined? If the child could not be provided with a speech and language therapist by the local authority, a better way of ensuring that it has what it needs would be to give its parents control over the money that is spent and that, miraculously, does not provide the outcome that they want. Parents of children with special needs have had a raw deal from public policy makers over many years. In part, that is explained by the fact that they have not had the articulate advocate that they now find in my hon. Friend the Member for Buckingham. However, it is also because they are a relatively small group who are spread across the country and, in some cases, marginalised. They cannot attract the attention of policy makers, although the issue might be higher up the political agenda if they were more concentrated in some of the marginal parliamentary constituencies.

However, the upside is that the internet is having a profound impact on changing not only politics in general, but also the politics of special educational needs provision; it is raising the profile. The internet aggregates—it brings together people who have a specific interest in special educational needs—and it empowers people. The complex information and legal knowledge needed to make the system work is no longer the preserve of a few elite people. The internet breaks down barriers to entry. Through the internet, parents have a voice and do not have to rely on remote producers or politicians to speak up for them; they can speak for themselves. The internet gives the marginal a voice. In a post-bureaucratic age, that is how parents of children with special educational needs will be empowered. We need a public policy that reflects those trends, rather than one that attempts to frustrate them.

5.49 pm

Tim Loughton (East Worthing and Shoreham) (Con): I am pleased that we have had the opportunity to debate the Bercow report. I congratulate the Government on commissioning it and all those involved in the extensive research that has gone into it. Some doughty campaigners for special educational needs and powerful advocates for those with speech and language difficulties have been involved in today's debate. Many of them brought their personal experiences to it, which has enriched it. I am slightly puzzled about why we are dealing with the subject in a topical debate on the penultimate day before the summer recess, given that the review was published on 8 July, and given that the Government gave a statement accepting the report's key recommendations, which we welcome, and promised a full implementation plan in the autumn.

This is the 18th topical debate this Session, and the first one answered by Ministers from the Department for Children, Schools and Families. By far the most

[Tim Loughton]

topical problem afflicting the DCSF is the turmoil surrounding the marking—inaccurate, delayed or otherwise—of this year's standard assessment tests, which were taken by 1.2 million 11 and 14-year-olds. As hon. Members have said, topically, in the past few days, the newspapers have been full of stories of administrative problems, computer blunders and appalling marking. Topically, thousands of children are about to go on their summer holidays not knowing how they fared; their reports will not contain the details of their marks. Most topically of all, in the past few days, the Secretary of State has suggested that the ETS contract could be terminated, but the Minister for Schools and Learners said the opposite just yesterday.

Mr. Deputy Speaker: Order. I am reluctant to stop the hon. Gentleman, but we ought to devote our time to the subject before the House.

Tim Loughton: I shall immediately do that, of course. I reiterate that we very much welcome the review.

Hilary Armstrong: Will the hon. Gentleman give way?

Tim Loughton: With respect, I shall not, because the right hon. Lady had longer for her speech than I have for mine, and I do not get injury time for taking interventions.

I urge the Government to adopt the proposals in the review as comprehensively and as speedily as possible. The subject of speech, language and communication problems, and, more generally, special educational needs among children, has over the years been raised extensively by hon. Members on both sides of the Chamber, not least by members of my party, and not least by my right hon. Friend the Leader of the Opposition. Indeed, he set up the commission on special needs in education in December 2005, under the excellent chairmanship of Sir Robert Balchin, who published his report in the autumn of 2007. Clearly, the view is, "If you want an important job done, ask a Conservative Member of this House."

The statistics on speech, language and communication needs among children are stark. In 2007, about 7 per cent. of five-year-olds entering primary school across England—that represents nearly 40,000 children—had significant difficulties with speech and/or language, but in more disadvantaged areas, about 50 per cent. of children and young people had speech and language skills of a significantly lower level than those of other children of the same age. My hon. Friend the Member for Ruislip-Northwood (Mr. Hurd) has mentioned the alarming figures for those in the youth justice system who have had difficulties with speech, language and communication. Clearly, we are missing a trick by not investing in prevention in that regard.

We all welcome the acknowledgement in the review that early intervention is key; many Members have mentioned that, including the right hon. Member for North-West Durham (Hilary Armstrong). Too many children suffer from a postcode lottery in the provision of services, and there is still a shortage of specialist providers. As I pointed out in the Westminster Hall debate held just after the review was launched, we need

> "greater joined-up working between education and health, and on the joint working and ownership of the work force, because speech and language therapists might be employed by health services, local authorities, schools, charities or social enterprises, or might be working privately."—[*Official Report, Westminster Hall*, 9 October 2007; Vol. 464, c. 17WH.]

There is a vicious triangle at work. Often, people who come to my surgery with cases in which speech therapy support is required have already gone to their education authority, which has said, "Oh, that is not for us. It is for health." They then go to their primary care trust or hospital and are told again, "Oh no, that is not for us, but for children's or social services." I am sure that other hon. Members have experienced that, too. That is what I call a vicious triangle. The problem does not go away if we pass the buck. The longer we pass the buck, the bigger the problem with that child might become. We need much better joined-up working.

The DCSF and the Department of Health's joint response to the review is encouraging, and it was good to see the Secretaries of State for both Departments here earlier in this debate. It is essential that schools, health services, health visitors, children's centres, Sure Start and others do more to identify children with speech, language and communication difficulties as early as possible. As we identified in our submission to the review, when it comes to speech, language and communication needs, as with most areas of special education, early intervention is essential. Estimates suggest that some 15 per cent. of children at pre-school level need the early intervention of a speech and language therapist. The work done with those very young children is vital, and can in many cases be relatively short-lived and totally successful.

In most cases, there seems to be good co-operation between the agencies involved pre-school, and we support the proposal that more work be done through children's centres—an approach being pioneered by the charity I CAN. However, too many parents have reported encountering substantial difficulties with school-related assessment and provision. In particular, they mention two important problems. First, when children at pre-school level are identified as needing help, adequate speech and language therapy assistance is often not available. Secondly, when no identification has been possible pre-school, assessment and help is often difficult to obtain and slow in coming. There is also a problem with the transition between primary and secondary schools.

Research by Scope revealed that only 22 per cent. of respondents to its survey had been assessed by the age of three, and that local authorities had markedly different policies for the provision of communication aids. About a quarter of respondents did not receive an assessment until they were 16 or older. As a Scope report went on to show, if disabled children and young people are unable to develop their communication skills during childhood, it puts them at a significant disadvantage in adult life. It makes it even more likely that disabled people with communication impairments will be excluded from work, education and social opportunities, and will be unnecessarily dependent on others. Action must be meaningful and sustainable, and there must be follow-up assessments and ongoing monitoring. Not providing that, and not intervening early, is clearly a false economy, as hon. Members on both sides of the House have agreed.

I should like to mention a point to which the hon. Member for Gateshead, East and Washington, West (Mrs. Hodgson) referred. She has done much on the issue, and I congratulate her on her Bill receiving Royal Assent today. The excellent autism charity, TreeHouse, has called for a proper cost-benefit analysis of effective interventions, and we support that call. It believes that there is a need for an evidence base that details the impact of speech and language therapy on the development of children's communication and language skills, and that helps families to ascertain which interventions work best. TreeHouse makes the important point that parents and carers are the experts on their children, and need to be listened to and supported more. That suggestion was supported by I CAN, which played an important part in the review. Its excellent "Make Chatter Matter" campaign helped to put the issue on the political map in the first place. I am pleased that many of its suggestions have been taken up.

On speech and language therapy training, there is some evidence that although an adequate number of speech and language therapists are being trained, there are not enough posts available for them. They therefore seek other employment and can often be lost to the profession, which is an obvious waste of resources. That disjunction is likely to be remedied if recommendations on assessment and funding are accepted.

We believe that the Government need to go further on some aspects of the report, particularly on statementing and special schools. Where there are serious language disorders, or where language problems are part of a child's wider spectrum of special needs, parents too often find that the statementing process is too adversarial and drawn out. In too many cases, after considerable expenditure of time and money, it results in little or no help for their children. We believe that the system needs to be streamlined and made easier for parents to navigate and less adversarial.

The whole special needs profile system needs to be changed. We recommend that assessment for all special educational needs be undertaken by independent professionals in contracted consortiums, working to objective criteria. The process would be triggered by a professional from education, health or social services, or by a parent assisted by one of the above, and would result in a special needs profile replacing a statement. The profile would be based on clearly defined support categories, and speech, language and communication needs are likely to encompass one or more of those categories.

We believe that the ideology of inclusion has caused the most serious problems for special needs children and their parents. The loss in the past few years of no fewer than 9,000 special schools places is a disaster that must be remedied. Many children with complex speech, language and communication needs cannot be educated adequately in mainstream schools, but it is clear that those with less complicated needs can thrive in mainstream schools if there is a dedicated unit, staffed by an adequate number of professionals. It is also useful if all staff receive some training on SLCN problems. Will the Minister commit to a moratorium on the closure of special schools, at least until we can get a closer idea about current SEN provision, particularly as it relates to SLCN?

Most of all, I agree with the point made by the right hon. Member for Sheffield, Brightside (Mr. Blunkett). We welcome the proposals for giving greater support to parents. Evidence suggests that many parents of children with SLCN feel too often that they have been left without much understanding of their child's needs and how they can assist.

The report is a good one. We congratulate the Government on commissioning it, and hope that they will enact its recommendations as soon as possible.

6 pm

Kevin Brennan: In the brief time left, I shall attempt to respond to some of the points raised by hon. Members. I welcome the speech made by the hon. Member for Buckingham (John Bercow) and once again congratulate him on the report. He made a number of points. I understand perfectly the one that he made about help with communicative devices; we will consider that issue as part of the child health strategy in the autumn. He pointed out the much wider relevance of the issue to antisocial behaviour, public health and the economy.

At the end, the hon. Gentleman said that he would die happy if his report were implemented, although he does not want to die just yet. I hope that he does not, because in 18 months we would like him to have a look at how we have done and whether we have implemented his review's recommendations. We are happy to invite him to do that if he is willing.

John Bercow: I am extremely grateful to the Minister for making that request. I would be delighted to do that, with support from colleagues and outside experts.

English is an additional language for 75 per cent. of children at Churchill Gardens community primary school, and 55 per cent. of the children there are on free school meals. Is it not a terrific tribute to the school that, through great leadership, a language-rich environment and a powerful focus on communication, it is getting terrific results? That just shows what can be done in a mainstream school with good leadership.

Kevin Brennan: Indeed it does. I congratulate the hon. Gentleman on his ingenuity in getting that point in.

My right hon. Friend the Member for North-West Durham (Hilary Armstrong) has a long-standing commitment on this issue, and she spoke with passion. She was one of the early adopters of early intervention as a means of trying to bring about social justice and change society. She gave us examples of good practice and the consequences of not identifying problems and intervening early.

The hon. Member for Mid-Dorset and North Poole (Annette Brooke) told us about the importance of specialist services and the problem of buck passing between health and education. I hope that she welcomed the commitment from the Secretaries of State for Health and for Children, Schools and Families, who were here today; the report was commissioned jointly.

I congratulate my hon. Friend the Member for Gateshead, East and Washington, West (Mrs. Hodgson), as her Bill has received Royal Assent. She is common sense on legs and her speeches in the House often bring

[Kevin Brennan]

us down to earth with practical and real-world examples of the consequences of our debate. She pointed out the importance of knowing the costs and benefits of early intervention and showed us how thoroughly she digested the content of the report; she will hold us to account in making sure that we implement it. She referred to her personal experience and her son Joseph and said that we needed more consistency across the country in the provision of these services. She asked specifically whether the report covered deaf and hard-of-hearing children. The answer is yes.

The hon. Member for Ruislip-Northwood (Mr. Hurd) pointed out the increased investment that there has been into the education of young offenders. He went on to make a serious point about the importance of making sure that young offenders in custody get the appropriate support. However, it is also important that we meet their needs holistically, and the hon. Gentleman was churlish and unfair to suggest that there was apathy about that in the Government; after all, we are here debating this issue because we commissioned the report. We will address those issues through the youth crime action plan. It is better to address all, not just some, of young offenders' needs. In its forthcoming offender health strategy, the Department of Health will also consider the speech and language needs of young offenders.

In a disappointingly partisan contribution, the hon. Member for Harwich (Mr. Carswell) gave us a glimpse of what is behind the veil of Cameronism when it is pulled aside; no doubt we shall see more of that in time. The hon. Member for East Worthing and Shoreham (Tim Loughton) made a rather partisan opening to impress his Whips, but he quickly moved on. However, I do not know how he can believe that not allowing children with speech and language difficulties an appeal against exclusion from school will help them; perhaps he will advise the House. However, he went on to discuss more substantial issues and I welcome his welcome of the commitment of the Secretaries of State, who were both here today.

Time is very short. Being able to communicate is absolutely fundamental, and we are glad to welcome the report.

It being one and a half hours after the commencement of the proceedings, the motion lapsed, without Question put, pursuant to the Temporary Standing Order (Topical debates).

HOUSING AND REGENERATION BILL (PROGRAMME) (NO. 2)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A (Programme motions),

That the following provisions shall apply to the Housing and Regeneration Bill for the purpose of supplementing the Order of 27th November 2007 (Housing and Regeneration Bill (Programme)):

Consideration of Lords Amendments

1. Proceedings on consideration of Lords Amendments shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption at this day's sitting.

Subsequent stages

2. Any further Message from the Lords may be considered forthwith without any Question being put.

3. The proceedings on any further Message from the Lords shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement.—*[Alison Seabeck.]*

The House proceeded to a Division.

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I ask the Serjeant at Arms to investigate the delay in the No lobby.

The House having divided: Ayes 253, Noes 175.

Division No. 267] **[6.5 pm**

AYES

Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Baird, Vera
Balls, rh Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blunkett, rh Mr. David
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Browne, rh Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Campbell, Mr. Alan
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clark, Paul
Clarke, rh Mr. Charles
Clelland, Mr. David
Clwyd, rh Ann
Cohen, Harry
Cook, Frank
Cooper, rh Yvette
Corbyn, Jeremy
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
David, Mr. Wayne
Davies, Mr. Dai
Davies, Mr. Quentin
Dean, Mrs. Janet
Denham, rh Mr. John
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Ellman, Mrs. Louise
Ennis, Jeff
Farrelly, Paul
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flint, rh Caroline
Follett, Barbara
Foster, Mr. Michael
(Worcester)
Foster, Michael Jabez
(Hastings and Rye)
Francis, Dr. Hywel
Gardiner, Barry
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Goodman, Helen
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hanson, rh Mr. David
Harman, rh Ms Harriet
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric

Irranca-Davies, Huw
Jenkins, Mr. Brian
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jowell, rh Tessa
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kennedy, rh Jane
Khan, Mr. Sadiq
Kilfoyle, Mr. Peter
Knight, Jim
Ladyman, Dr. Stephen
Laxton, Mr. Bob
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
Mackinlay, Andrew
Mactaggart, Fiona
Mallaber, Judy
Marsden, Mr. Gordon
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McDonnell, John
McFadden, Mr. Pat
McFall, rh John
McIsaac, Shona
McNulty, rh Mr. Tony
Meacher, rh Mr. Michael
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh David
Miliband, rh Edward
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Prentice, Bridget
Prentice, Mr. Gordon
Primarolo, rh Dawn
Purchase, Mr. Ken
Purnell, rh James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Ruane, Chris
Ruddock, Joan
Russell, Christine
Salter, Martin
Seabeck, Alison
Sharma, Mr. Virendra
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andy
Smith, rh Mr. Andrew
Smith, Ms Angela C.
(Sheffield, Hillsborough)
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Taylor, Ms Dari
Taylor, David
Taylor, Dr. Richard
Thornberry, Emily
Timms, rh Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, rh Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Wilson, Phil
Winnick, Mr. David
Winterton, rh Ms Rosie
Woolas, Mr. Phil
Wright, David
Wright, Mr. Iain
Wyatt, Derek

Tellers for the Ayes:
Tony Cunningham and
Ms Diana R. Johnson

NOES

Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Arbuthnot, rh Mr. James
Baldry, Tony
Bercow, John
Beresford, Sir Paul
Blunt, Mr. Crispin
Bone, Mr. Peter
Bottomley, Peter
Brady, Mr. Graham
Brazier, Mr. Julian
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Burns, Mr. Simon
Burstow, Mr. Paul
Burt, Alistair
Butterfill, Sir John
Cameron, rh Mr. David
Carswell, Mr. Douglas
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clifton-Brown, Mr. Geoffrey
Crabb, Mr. Stephen
Davies, David T.C.
(Monmouth)
Davies, Philip
Djanogly, Mr. Jonathan
Duddridge, James
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Featherstone, Lynne
Field, Mr. Mark
Foster, Mr. Don
Fox, Dr. Liam
Francois, Mr. Mark
Garnier, Mr. Edward
Gauke, Mr. David
Gibb, Mr. Nick
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Green, Damian
Greening, Justine
Greenway, Mr. John
Gummer, rh Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Heald, Mr. Oliver
Heath, Mr. David
Heathcoat-Amory, rh
Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holmes, Paul
Horam, Mr. John
Horwood, Martin
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Howell, John
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Jones, Mr. David
Kawczynski, Daniel
Keetch, Mr. Paul
Key, Robert
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lancaster, Mr. Mark
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Loughton, Tim
Maclean, rh David
Main, Anne
Maples, Mr. John
May, rh Mrs. Theresa
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Miller, Mrs. Maria
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Mulholland, Greg
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Öpik, Lembit
Paice, Mr. James
Paterson, Mr. Owen
Penning, Mike
Pickles, Mr. Eric
Prisk, Mr. Mark
Pugh, Dr. John
Randall, Mr. John
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Rogerson, Dan
Rosindell, Andrew
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Simmonds, Mark
Simpson, Mr. Keith
Smith, Sir Robert
Spicer, Sir Michael
Spink, Bob

Spring, Mr. Richard
Stanley, rh Sir John
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Mr. Ian
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Sir Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Walter, Mr. Robert
Waterson, Mr. Nigel
Watkinson, Angela
Webb, Steve
Whittingdale, Mr. John
Willetts, Mr. David
Williams, Hywel
Williams, Mark
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilshire, Mr. David
Wilson, Mr. Rob
Wilson, Sammy
Winterton, Ann
Winterton, Sir Nicholas
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Mr. Nick Hurd and
Mr. John Baron

Question accordingly agreed to.

Andrew Mackinlay (Thurrock) (Lab): On a point of order, Mr. Deputy Speaker. I wonder whether you might be able to use your good offices to persuade the Department for Communities and Local Government to release from the Vote Office the Thames Gateway annual report, which was supposed to be published in June. I am told by the Vote Office staff that it is in the cellars here, but they have not been given the say-so by the Department to release it. It is material to this legislation: section 45 refers to the interface of the Homes And Communities Agency with the urban development corporations. It really is sloppy that the report has not been made available in the Vote Office this afternoon. The Under-Secretary of State for Communities and Local Government, my hon. Friend the hon. Member for Hartlepool (Mr. Wright), looks a bit bewildered; I hope he will use his good offices to get the civil servants to release it pretty damned quick.

Mr. Deputy Speaker (Sir Alan Haselhurst): I am sure that the hon. Gentleman would not expect me to be able to explain what is happening and why, but his remarks will have been noted. Perhaps if it is in the cellar, it is maturing, like good wine, and we shall see it before too long.

Orders of the Day

Housing and Regeneration Bill

Lords amendments considered.

Mr. Deputy Speaker (Sir Alan Haselhurst): I draw the House's attention to the fact that privilege is involved in Lords amendments Nos. 27, 28, 31, 203, 228, 231, 238, 241, 245 to 250 and 267. If the House agrees to any of these Lords amendments, I shall ensure that the appropriate entry is made in the Journal.

Clause 2

OBJECTS

Lords amendment: No. 1.

6.23 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (Mr. Iain Wright): I beg to move, That this House agrees with the Lords in the said amendment.

Mr. Deputy Speaker: With this it will be convenient to discuss Lords amendments Nos. 2 to 64, 201, 202, 205, 207, 208, 212, 224 to 244, 264 to 267, 269 to 272, 278, 281, 283 to 287, 289, 291 to 293, 296 to 298, 300 to 303, 305, 308 and 311.

Mr. Wright: This group of amendments relates to part 1 of the Bill, which is concerned with the creation of the Homes and Communities Agency. We had some excellent debates in Committee on the role of the agency, its powers and its relations with other bodies. That debate was continued, with knowledge and expertise, in the other place, so I believe that the Bill has been much improved during its passage through Parliament. The world has changed in economic terms in the six months since we debated the Bill in Committee, but I would like the Bill, and the Homes and Communities Agency, to be as future-proof as possible, and the amendments help to establish that.

Lords amendment No. 1 adds the term "good design" to clause 2, which concerns the objects of the Homes and Communities Agency. That is a welcome step and puts good design at the heart of what the agency will seek to achieve, and into the context of sustainable development. There was a strong debate in Grand Committee in the other place about the importance of good design. Design costs are a relatively small proportion of overall build costs; however, the costs of poor design are high. It is becoming ever more apparent that good design attracts people, investment and activity to places. Conversely, poor design and poor quality act as a real barrier to prosperity and sustainability. Planning policy statement 1 states:

> "Good design ensures attractive, usable, durable and adaptable places and is a key element in achieving sustainable development."

The importance of good design, therefore, is already enshrined in national planning guidance. However, I am pleased that design is now in the objects of the agency, acknowledging its importance and allowing the considerable powers and resources of the agency to be used for the purposes of good design.

The very first amendment that we discussed in the Public Bill Committee was one tabled by the right hon. Member for North-West Hampshire (Sir George Young), whom I am delighted to see in his place, and it was about improving the accessibility of new housing, particularly for the disabled or for the increasingly older population. The right hon. Gentleman mentioned the future demographics of this country. He stated that over the next 20 years, the number of disabled and older people will increase by roughly two thirds. About 329,000 disabled people are living in housing that is not suited to their requirements. I remember vividly what the right hon. Gentleman said in Committee. He may not have thought so, but it had a huge impact on my thinking, and I am keen to help. That is why I—as honorary patron of the Access Association for the north-east—and I hope the right hon. Gentleman as well, welcome Lords amendment No. 2, which will clarify that the term "good design" includes design

> "which has due regard to the needs of elderly persons and disabled persons".

A key theme of the deliberations on part 1 of the Bill throughout its passage has been the relationship between the agency and its key partners, particularly those in local government. Critics of the Bill and the agency have often stated that the HCA will be a large, centrally driven quango, imposing top-down targets and riding roughshod over the needs and wishes of local communities. That is precisely not what we wish to achieve through the agency. It was never our intention. We have always maintained that a key test of the agency's success will be the manner in which it partners local authorities in the delivery of new housing and the regeneration of communities throughout England.

Martin Horwood (Cheltenham) (LD): I am grateful to the Under-Secretary for his comments. Let us take a hypothetical situation in which the Government take account of the housing downturn, and the fact that the original target of 3 million homes is now clearly inappropriate. If the HCA were to stick to that target, and the Minister for Housing implied that the Government might want it to, would local authorities have the right to challenge that number?

Mr. Wright: I am not entirely certain what the hon. Gentleman is getting at. What is very clear, as I said in my opening remarks, is that economic circumstances throughout the world have changed in the six months since we last looked at this legislation, but that the fundamentals of the housing market in this country have remained the same. There has been a huge imbalance between demand for and supply of housing for something like a generation. One of the things discussed in Committee was the ability of the agency, using skills and expertise at the disposal of local authorities, to allow councils to step up to the plate to provide skills and capacity to ensure that the strategic housing market assessment that local authorities undertake allows them to build the houses that their area requires.

Lembit Öpik (Montgomeryshire) (LD): I should like to press the point made my hon. Friend the Member for Cheltenham (Martin Horwood). Although I agree with what the Under-Secretary says about what we want local authorities to be able to do, the question is one of authority. I ask him the question again: can local authorities effectively challenge edicts from the HCA under the revised form that the Bill will take once we have passed these amendments?

Mr. Wright: I am grateful to the hon. Gentleman for clarifying that point. In this group of amendments, we are keen not to have, in his words, an "edict". We are trying to promote as far as possible, as we have done throughout the Bill's passage, positive partnership relations between the local authority in question and the agency.

On that point, our intention with regards to the partnership working between the agency and local authorities was made clear with the launch of the new Local Government Association protocol at its conference a couple of weeks ago. I hope that it will reassure the hon. Gentleman to learn that it states:

> "The aim will be to reflect the shared endeavour between councils and central government to secure more and better homes that are both affordable and in places where people want to live, to regenerate and renew our most deprived communities, and to build councils' strategic capability to achieve these ends."

I suggest that several significant amendments in the other place have reinforced the intention further.

6.30 pm

Lords amendment No. 51 would require the agency to consult

> "such representatives of local government as the HCA considers appropriate about how the HCA pursues its objects"

and to publish a statement on how it proposes to comply with that requirement.

Clauses 13 and 14 form an important part of the relationship between central Government, the agency and local authorities and its operation in practice. They cover the Secretary of State's power to make designation orders and the power of the HCA to act as the local planning authority.

Legitimate concerns were raised in Committee and in the other place about the wide-ranging powers in part 1, especially whether the agency would "railroad development through"—I use the phrase of the hon. Member for Welwyn Hatfield (Grant Shapps) in Committee, although I do not agree with it. I hope that hon. Members know that railroading was never the Government's intention. We have always stated that local authorities are best placed to know their areas' needs. I hope that that directly addresses the point that the hon. Member for Cheltenham (Martin Horwood) made.

Martin Horwood: The Under-Secretary comes out with fine phrases, but the reality on the ground is different. Local authorities find themselves unable to challenge housing allocations, which regional assemblies and regional spatial strategies hand down. It seems likely that the HCA will be capable of issuing the same sort of downward edict, to use the phrase of my hon. Friend the Member for Montgomeryshire (Lembit Öpik).

Mr. Wright: I disagree. As I said, there will be a close, strong partnership and a positive relationship between the agency and local authorities to provide skills, expertise and capacity to ensure that local authorities can ascertain the strategic housing needs in their area. We are not considering something only for London and south-east—

[Mr. Iain Wright]

every region in the country has huge need of housing, especially affordable housing. The agency will play a key role in working closely with a local authority in an area, regardless of where it is. It will ask what the local authority needs, including skills and expertise, to step up to the plate, and what funding and other things it requires. We had an interesting debate in Committee about infrastructure, and what would be needed to facilitate housing development in a specific area.

We have always stated that local authorities are best placed to know the needs of their areas. However, in some—albeit rare—circumstances, the development and regeneration challenges that some local authorities face may mean that they require additional assistance and support to achieve the objectives. To ensure that that is done properly, it is right and proper that a full set of powers is at the Secretary of State's disposal.

I said to hon. Members that considerable safeguards were already in place for those powers. However, the Government are keen to address concerns that were expressed in the House and in the other place. So as I said in Committee, each area will be set out in a designation order made by the Secretary of State and, in deciding to exercise that power, she will need to be satisfied that designating an area and conferring local planning authority powers on the agency is justified and reasonable. However, Lords amendment No. 8 makes it clear that the Secretary of State, in determining whether it is appropriate to exercise those powers, also needs to be satisfied that making the order is likely to improve the effectiveness with which local planning authority functions will be discharged. That is an important additional test. I hope that the House is reassured that it is explicit in the Bill that the Secretary of State needs to demonstrate clearly that exercising the powers would provide additional capacity and bring added benefit to an area.

We have also addressed concerns about the consultation process in providing a designation order, and the role of the local authority in that order. Under the clauses as originally drafted and debated in Committee, the Secretary of State was required to consult all local authorities that had an interest in the area that it was proposed to designate. In addition, several specific new controls have been established. They should reassure the House about the exercise of those powers.

First, Lords amendment No. 10 requires the Secretary of State to publish a draft of the order and her reasons for making it, including, of course, her reasoning as to why the designation order would be more effective. Secondly, Lords amendment No. 12 adds to the list—with bitter regret, I concede defeat on the list principle to the right hon. Member for North-West Hampshire, following weeks in Committee—of persons whom the Secretary of State must consult when considering designating an area. The list will include not only those who reside in an area but those who carry out business there. I therefore suggest that the amendments give the local government community—the local authorities and the people most likely to be affected by a designation order—far greater ability to influence the decision about whether to designate an area and the form and powers that designation may take.

Sir George Young (North-West Hampshire) (Con): Lords amendment No. 8, to which the Under-Secretary referred, states that

> "the Secretary of State must... be satisfied that making the designation order is likely to improve the effectiveness with which the functions of the local planning authority for the area or part are discharged."

Who will discharge those functions—the local planning authority or the HCA?

Mr. Wright: It will probably be the HCA in those circumstances. I hope that that reassures the right hon. Gentleman.

Lembit Öpik: I think that the Under-Secretary was busking it in his response to the right hon. Gentleman. I am not sure that the Bill provides for what the Under-Secretary claims, but perhaps he will get some inspiration during the debate. I want to ask him about consultation. Although I welcome the improvements constituted by the extended lists of individuals and organisations that must be consulted, how can he be confident that the mere requirement of consultation will result in a potentially obstinate HCA taking the advice? How can he be confident that the consultation will not simply be window dressing that changes nothing?

Mr. Wright: There are several answers, which, I hope, will reassure the hon. Gentleman. First, he used the term an "obstinate HCA", and I do not believe that that will happen. As I said, the HCA's culture will be one of, "How can we help?" and, "What positive aspects can we bring to the table?" That certainly reflects our debate in Committee. Secondly, the amendments that were made in the other place increase transparency and accountability. I shall explain why that is the case.

Grant Shapps (Welwyn Hatfield) (Con): I understand from the many amendments that we are considering that the Under-Secretary and his team recognise that the HCA was in danger of taking on powers that could be used, perhaps by a future chief executive, in a way that local authorities might find overpowering. However, does the Under-Secretary believe he has gone far enough to ensure that a future chief executive and a future Secretary of State—of any party—could not use the powers in a way that could fundamentally undermine local democracy?

Mr. Wright: We are fairly happy with what we have achieved. The Bill already contained significant powers and controls. Clauses 13 and 14, especially the provisions for a designation order and ensuring that the agency is a local planning authority, include considerable safeguards. As a result of concerns that the hon. Gentleman raised in Committee and anxieties that were expressed in the other place, we have gone further. We have strengthened the Bill, and I believe that that was appropriate.

Let me deal with the point made by the hon. Member for Montgomeryshire (Lembit Öpik) about how we ensure appropriate consultation, a matter to which we do not simply pay lip service. Lords amendment No. 21 requires the preparation and publication by the agency of a statement of local involvement, which sets out its policy for involving local authorities and people with special knowledge or relevant experience in the exercise of functions conferred on it by the designation order.

The amendment also requires that, when the agency sets up a committee or sub-committee for the purposes of exercising functions that a designation order confers on it, or appoints a member to such a committee or sub-committee, it must inform every local authority for the designated area and invite them to suggest one or more candidates for membership. Those additional strengths improve transparency and accountability.

Andrew Mackinlay (Thurrock) (Lab): Clause 45 allows the HCA to appoint an urban development corporation to act as its agent. Surely that vehicle will be the norm, because if we totally nationalise that function and set up a committee, it will be a million miles from local communities. Is it not likely that clause 45 will be used a lot, so that there is a local urban development corporation within the footprint of the local authority, which will have lost the planning powers?

Mr. Wright: No, I tend to disagree. What will happen will depend on the local circumstances of the area. It may be that a UDC will not be used, but what I would hope is that what happens comes about as a result of consultation, partnership and negotiation between the local authority, relevant bodies and the agency. The true strength that the provisions in the Bill provide is that flexibility and support, as well as considerable resources, to allow local circumstances to dictate what is needed.

The other place also asked whether sufficient parliamentary scrutiny could be afforded to any designation order by the negative resolution procedure, which was modelled on previous drafting of legislation, particularly the Leasehold Reform, Housing and Urban Development Act 1993. However, on reflection, the Government believe that it is more appropriate, given the exceptional nature of the case if there were to be a designation order, that each such case should be subject to parliamentary scrutiny. Therefore, Lords amendments Nos. 202, 207 and 208 require any designation order under clause 13 to be subject to the affirmative resolution procedure.

There was significant debate, both in Committee and in the other place, about the HCA's powers to fund unregistered providers to provide low-cost home ownership accommodation. I was very much struck by the argument advanced in Committee by my right hon. Friend the Member for Greenwich and Woolwich (Mr. Raynsford), whom I am delighted to see in his place, namely that the arrangements under the Bill as drafted did not achieve a level playing field with respect to regulatory arrangements for registered and non-registered providers when the agency provides and funds low-cost home ownership.

To address my right hon. Friend's points, Lords amendments Nos. 33 to 36 help to level that playing field. In particular, Lords amendment No. 33 places a requirement on the HCA to consult the regulator when funding such low-cost home ownership accommodation. That should ensure that the burden of complying with the regulator's standards is not significantly different from the burden of complying with the HCA's contractual requirements. I hope that that move is welcomed by my right hon. Friend, as it certainly has been by key stakeholders such as the National Housing Federation.

This group of amendments also contains a number of minor and technical amendments, to ensure that the Bill works effectively and to provide consistency and clarity of language. They include amendments that add greater protection to common land, in response to concerns raised in the other place, and the deletion of a number of clauses in part 1 relating to private streets. Following the consideration of points raised in the other place, the Government accepted that those clauses were not needed and that removing them would improve the clarity and workability of the Bill.

As I mentioned earlier, economic circumstances have changed in a remarkable and dramatic way since the House last considered the Bill in March. The Homes and Communities Agency will provide the flexibility and the strength to cope with changing times, as we aim to increase the supply of housing and to regenerate our communities in a well-planned, well-designed and sustainably responsible way. The amendments improve on what was in the Bill, allowing the agency to work effectively and closely with local government partners and others. I commend them to the House.

Grant Shapps: I thank the Minister for taking on board some of the concerns that were raised in Committee and on Report. First, the design-and-build concept behind the Homes and Communities Agency is important. We had quite a long discussion about that in Committee. It is absolutely appropriate that the quality of house-build, rather than a simple goal of building X million homes by Y, should be a fundamental principle. Houses have to be built to a quality that is of use to their inhabitants.

I remember speaking in Committee about the concerns in my constituency about the 10,000 new houses being built, 2,000 of which have already been delivered, whose design quality sometimes lets the new inhabitants down dramatically. Some of the problems that we have already seen in those new communities have become clear. I am delighted that the Minister has taken on board some of those concerns and designed an entirely new objective for the Homes and Communities Agency—the so-called fourth objective—which turns out to be design and build. I welcome that development.

6.45 pm

Also to be welcomed is Lords amendment No. 2, which deals with provision for elderly and disabled people. Again, I remember the contributions that my right hon. Friend the Member for North-West Hampshire (Sir George Young) made in Committee to a very good-natured discussion on the issue that, at the time, led to no great result. Everyone agreed that something needed to be done, but nothing was going to be added to the Bill to ensure that objective. I am therefore delighted that it has returned from the other place, a note having been made about design for the elderly and disabled. That is a crucial part of the now amended Bill that is to be welcomed.

The powers of the Homes and Communities Agency were the subject of discussion not just once or twice, but all the way through the previous stages of the Bill. The agency will clearly be a phenomenally powerful body, with the ability to take on powers from local authorities, to build, to provide planning permission to build, to become the landlord or the managing agent—in fact, to do everything. One wonders why we will even need local authorities or developers in the future if the Homes and Communities Agency ever exercises its powers in that manner.

I am therefore pleased that there are some measures in the amendments that assist in at least reassuring the House that that is not the intention of the Bill. The Minister assured us in Committee that the Bill was not designed to create a super agency that would use those powers. However, no concessions were made at all in Committee, which suggested that that would be written into the Bill. I am therefore pleased that the Bill has come back from the other place with those amendments.

It is right that we should all be concerned not to have an agency out there with powers that overstep the mark so that in future, if not today, a chief executive and a Secretary of State or a Housing Minister—perhaps the Minister himself—might use them in a way counter-productive to local democracy. That is the point around which the greatest disagreements still revolve. It is clear to people on the ground that establishing a strong powerful agency, with the capacity, which the HCA still has under the Bill, to build against the wishes of local people and, if it so desires, to fail to take into account local concerns, will, albeit perhaps unintentionally, set the power of the agency against the power of local communities.

As the Minister knows, that has been the Opposition's overriding concern throughout the passage of the Bill. If we are not careful, we are in danger of passing a Bill that provides too many centralised powers. Some of the amendments address some of those concerns, as did a meeting that I held last week with the new chief executive of the Homes and Communities Agency, Sir Bob Kerslake. He is clear that his remit should be to work in conjunction with local authorities and other bodies in providing housing.

Again, my concern is with what happens not today or over the next few years, but beyond that. The Bill is still too slanted towards the presumption that powers can be, if not necessarily exercised, then perhaps threatened under the clauses that remain, creating an imbalance between local authorities, other bodies and registered social landlords, and the Homes and Communities Agency. However, I am pleased to see that the Secretary of State must now specifically endorse decisions made by the Homes and Communities Agency, where powers are intended to be taken by the agency. That, too, is a welcome development.

There are simply too many amendments in the Bill—and even in this group—for me to be able to do them all justice. This brings us to the central concern behind the way in which the amendments have been tabled. The Minister might describe them as "minor" and "technical", and in many cases he might be right, but certainly not in all. The Government have tabled 715 amendments to the Bill since Second Reading—

Mr. Iain Wright: Seven hundred and seventeen.

Grant Shapps: The Minister has kindly corrected me. That is an extraordinary number. Perhaps a couple of new ones have been added at the last minute, which I was unable to count. It is extraordinary that we should now be in the position of needing to approve 313 amendments—I invite the Minister to correct me if I am out by one or two—coming back from the Lords, many of which are included in this important first group dealing with the powers of the Homes and Communities Agency. Had there been more consensus on this matter at an earlier stage, we might have been able to avoid this late rush of 313 amendments from the other place.

I am pleased, however, that the Minister has referred today to giving way on the so-called list principle. Those of us who served on the Committee will remember that the answer to almost any point put to the Minister—no matter how practical or real the problem involved—was met by the simple objection, "We can't add that to the Bill because there will be a list principle that will be ruined by adding a list of items." Yet, as has already been mentioned, there is now a fourth objective for the Homes and Communities Agency, which further adds to the list. In fairness to the Minister, I am delighted that he has characteristically given way on that simple principle, and conceded that it is possible to improve a Bill by adding to a so-called list of items.

It is a pity, however, that many of those changes could not be made until the Bill reached the other place. I wonder why the Government had their conversion on the road to Damascus in the other place, and not in Committee in this House. Perhaps the Minister will explain why. Good arguments were being put forward from both sides in Committee, from housing experts on the Back Benches. Their arguments seemed perfectly erudite, yet they simply were not accepted by the Minister at the time. However, when they were put forward in the other place and by outside organisations, they suddenly became entirely acceptable. Had we listened to the convincing arguments put forward by hon. Members during the earlier stages of the Bill, we could have improved it much more quickly, but we are now having to consider an enormous number of amendments in a very short time. We should have debated them correctly in the right place and at the right time, and improved the Bill at an earlier stage. I ask the Minister to reflect on that experience.

Mr. Nick Raynsford (Greenwich and Woolwich) (Lab): I shall perhaps surprise the hon. Member for Welwyn Hatfield (Grant Shapps) by saying that I agree with him in one important aspect. He referred to the surprising number of amendments to which we have been exposed since the Bill began its parliamentary passage some eight months ago, and I am afraid that this is one illustration of a theme that I have spoken about in other contexts—the increasing tendency for legislation to be produced in too much of a hurry and without sufficient preparation, so that it requires a great deal of amendment during its parliamentary passage. That is not a helpful trend, and I hope that in the years to come we will move away from that practice.

I thought it slightly odd, however, that the hon. Gentleman complained about that and then welcomed the fact that a number of changes were being made to the Bill. He cannot have it both ways. We are making a lot of changes to the Bill, and I believe that they have generally made a considerable improvement and are therefore welcome. As he will remember, many of them were introduced on Report in this House, before the Bill went to the Lords, so this is not simply a case of our receiving amendments at this late stage.

To return to first principles, I strongly welcome this part of the Bill and the establishment of the Homes and Communities Agency. At a time when there is widespread recognition of the importance of more effective action to achieve sustainable development and mixed developments involving the public, private and voluntary sectors—and of the need to ensure that we meet the very considerable housing needs that remain unmet, to which the Opposition have frequently referred—obviously we should welcome the creation of an agency with significant powers to help to deliver the homes that are needed. It was notable that the interventions from the Liberal Democrats were all about preventing development. That was a telling indication that their instinct is leading them not to meet housing needs but to prevent housing and development that would meet those needs.

Lembit Öpik: Let me just say to the right hon. Gentleman that I love appropriate development. Our concern is that there needs to be appropriate devolution of the decision making behind that development. Our questions are therefore not so much about preventing development as about ensuring that local authorities are genuine partners in the process, rather than junior partners subjugated to an all-powerful HCA.

Mr. Raynsford: I very much agree with the hon. Gentleman's view that local authorities should be genuine partners, and it is quite clear that that is exactly what the HCA, under the leadership of Sir Bob Kerslake, wishes to achieve. He has been mentioned on several occasions today, and he has impressed almost everyone who has come into contact with him since he was appointed. He is clearly committed to the two goals that we should all share: to take more effective action to meet housing and regeneration needs, and to do so in a way that is inclusive and involves proper partnerships with local authorities, housing associations and the private sector. I wish him every success in his daunting task as chief executive of the new agency.

I am pleased that the agency is coming into existence, and that a number of potential defects in the legislation have been addressed. I thank the Under-Secretary of State for Communities and Local Government, my hon. Friend the Member for Hartlepool (Mr. Wright) for the specific amendment in response to my concerns about the lack of a level playing field in respect of low-cost home ownership development. With that, I welcome this group of amendments and hope that they will be endorsed by the House.

Lembit Öpik: There can be no more heart-warming sight than the admission by a Government Minister of his own human fallibility. In making such an admission, the Under-Secretary of State for Communities and Local Government, the hon. Member for Hartlepool (Mr. Wright) has shown a humble divinity rarely observed at the ballot box—I mean the Dispatch Box. I always refer to it as the ballot box; I shall be in trouble for that.

We all know that the Minister does not portray himself as all-powerful, but concern has been consistently expressed on the Opposition Benches that the Homes and Communities Agency could appear all-powerful from below, at local authority level. For that reason, this group of amendments is encouraging in two ways. First, it explicitly increases the responsibility of the HCA to consult in particular ways. Secondly, it requires precise specification by the Secretary of State of the remit in a number of situations. We were calling for those provisions in Committee, but the Minister seemed somewhat resistant to them at the time. Let us not be churlish, however, because he has now taken them on board after some fairly tough negotiating in the other place. A large number of the votes went the way they did despite, rather than because of, the Government's willingness to accept the proposals put forward at the time. Nevertheless, the fact that this group of amendments has been embraced by the Minister shows that the iterative process—which I think works pretty well if people are genuinely focused on a good outcome—has once again served us well.

The fact that there are 770 new amendments—

Mr. Wright: Seven hundred and seventeen.

Lembit Öpik: The fact that there are 717 amendments, as the Minister bragged before, means that there is more than one for every day between now and the next general election. We could therefore have a Homes and Communities Agency advent calendar with an amendment behind every door, and on the final day—the day of the election—we could have the jolly face of the Minister to lift our spirits as we go to vote. All kinds of possibilities reside there—*[Interruption]*—especially if one has a vivid imagination.

If the legislation is based on principles, let me deal with a principle that concerns what we do in this Chamber, where we increasingly talk about principles, but insert detail. I realise that a number of amendments tabled by the Liberal Democrats—and, indeed, the Conservatives—have been quite detailed, so I make this admonition to us all: perhaps we should be a bit more courageous in approaching the sort of issues that these amendments are designed to clarify and reduce the body of legislation we put forward by increasing our reliance on guidelines rather than on specific edicts. If we did so, the legislative process would be more transparent and we could make the Bill more flexible and avoid unintended consequences, which, with the best will in the world, this extensive piece of legislation is likely to bring.

7 pm

I praise the obvious capabilities of the first chief executive, Bob Kerslake, but I also believe that it is a bit dangerous to rely entirely on the abilities of the first person appointed to a job. One should not plan legislation on the basis of the best person likely to do the job, but on the basis of the worst case scenario. That is not to be cynical; it is simply to protect the public from things going wrong as a result of human error. For that reason, although I have no doubt that we will have an excellent first chief executive, I am slightly worried that we have not thought sufficiently about the worst case scenarios, as we discussed them in Committee. Nevertheless, the amendments go a long way towards improving the situation. I modestly point out that no fewer than 24 Government amendments in this group are a direct result of the sage work of my Liberal Democrat colleagues in the other place, who were persuasive in convincing Ministers of the merit of our case—or, where that failed, fortunate in winning the vote.

I want to make three main points. The first is about the permitted purposes and types of development in the HCA remit. Lords amendments Nos. 6, 7, 16 and 17 are relevant and help a great deal to resolve issues previously discussed as a matter of concern. I am also encouraged by amendment No. 47, which will help to create a level playing field. It will make it difficult for the HCA to alter the terms of reference in varying or revoking a determination; and it will not be able to override the provisions relating to the events and principles according to which the exercise of its powers should be predetermined. That is a really important change, because it puts to rest one of the criticisms often made of such legislation, allowing consistency from the point at which the determination is made right through to the point at which it is acted on.

The most important issues in the group are raised by Lords amendments Nos. 39, 40, and 42 to 46, which clarify what the authority can do in terms of entering into agreements with providers of social housing, including arrangements for sharing equity uplift between the authority and the provider. Again, we discussed the matter at some length in Committee, and I recall being concerned that the phrasing did not necessarily mean that the authority's remit would be conducive to improving the attractiveness and accessibility of shared equity schemes. We all think that shared equity schemes provide a sensible way forward, offering a very important additional rung in the housing ladder. I believe that in this area, the Government have provided something that is genuinely helpful; I give great credit to the Minister for not seeking to revoke a provision that we put him under some pressure to agree to.

Finally, I agree with the hon. Member for Welwyn Hatfield (Grant Shapps) that there is much in this group of amendments to debate, but that it is not plausible for us to detain the House unduly by examining every amendment in detail. I have been putting forward a brush-stroke analysis of the amendments, but the mood music is right. The Minister has taken into account a number of our concerns. Let us hope that we have not over-regulated in our efforts to make the authority a bit more receptive to the importance of a genuine partnership working environment with local authorities and other providers of housing.

Andrew Mackinlay: I want to deal briefly with some amendments in the group. I particularly welcome the amendments that introduce—for the first time, I believe—the duty on authorities to have regard for "good design". We have needed that for a very long time. So many housing developments are, at best, bland; and some are the product of obviously lazy initiatives by the developer, whether it be a private company or a statutory body. All too often, the design comes off a shelf—a shelf on which design has not been reviewed for many a year. I believe that it is possible at minimal cost to unlock the talent among people capable of designing quality housing. Housing can be aesthetically pleasing and it is extremely important to be aware of it. Even in hitherto poor, working-class areas, original design can make a great statement of confidence for the future. Local communities are interested in that, as it is one aspect of building a sense of community, which Government Departments are also trying to promote. I do not wish to exaggerate, but this is important.

I do not suppose that it will be possible to get judicial review when a bland housing development is produced, but it will henceforth be a duty on the Homes and Communities Agency, as well as on local authorities, to be cognisant of the need for good design. I hope that, gradually, we will be able to build up the quality of design and take heed of aesthetics and the attractiveness of buildings. That will also be a good statement for this generation of planners. In my view, not enough has been done to move on since the 1960s and 1970s.

I also want to deal with the amendments that have most preoccupied the House. Over the past four or five years, my local authority area has endured many of the provisions that are proposed as suitable for the HCA. Some years ago, the House passed an order that created the Thurrock urban development corporation, which took away many planning functions from the local authority. As a Member of Parliament, that caused me a dilemma. I believe in local authority and local decision-making on planning issues, planning applications and proposed developments, but on the other hand, I want the Government to achieve their legitimate aspirations to produce a good reservoir of low-cost housing to rent or buy and to create some prestigious housing, too. That attracts remuneration to a local authority area in the form of high council taxes and other incomes derived from quality and high-value residential development. Social mix is another desirable outcome. I was persuaded that we needed this power, which is why I support the amendments this evening. If the Government are determined to drive through their housing construction policy throughout England, where housing supply is desperately needed for our constituents, the amendments are necessary.

In the light of my experience over the past few years of planning powers being transferred from the local authority to another body—the urban development corporation in my case, and the HCA under the amendments—I urge the Minister and his new chief executive Kerslake not to use the local authority as the handling agents. It seems to me that all the chemistry in that regard produces frustration of the Government's objectives, and a dilemma for the local authority officers as to which master they serve. If the planning functions are to be dealt with by a committee of the HCA or an urban development corporation, they should receive and process the applications and send the letter consulting the authority; the local authority should not process those applications, as it is an inevitable cause of frustration and an added level of bureaucracy. I offer that advice to the Minister and through him to the HCA chief executive.

If planning powers are to be designated and transferred from the local authority to another body, it should be done not just by use class order or according to the size and scale of the proposed development—the number of hectares or residential units—but by geographical area. Development control and enforcement are indivisible from the wider picture. Although the HCA might not want to get involved in what it might consider nitty-gritty issues, all too often enforcement is the other side of the coin of planning development. If we want to create a good housing development, but an industry is non-conforming or arguably has not got planning permission, enforcement action or relocation by the HCA or its committee and by the local authority go at different speeds. There is a danger that the lines will be blurred and objectives will not be achieved.

I am prepared to elaborate on the matter, with the Minister and whomever he likes, following the experience of the Thurrock urban development corporation, which was, and still is, a good idea, but has been frustrated by a lack of clarity as to who has what powers and the division of loyalties among the officials and professional staff between it and the local authority.

Sir George Young: I hope to make the shortest speech on this group of amendments.

When the Minister opened the debate, he was kind enough to say that my speech on one of the first amendments had made a major impact on him. His demeanour at the time concealed that, and the amendment was dismissed. However, I am glad that it had a delayed impact and the point about design was taken on board.

The bulk of the debate has been about the so-called nuclear option, when the Secretary of State makes a designation order and the HCA takes over the planning powers of the local authority. Clearly, there is tension between the political imperatives of Ministers and the HCA, who want things done and development achieved, and the legitimate local interests of the local authority. One must make a judgment. When the Conservatives were in power, we set up development corporations, and I took some of the orders through the House. I therefore strongly defend Ministers' ability to intervene.

I want to press the Minister on when he will intervene and the circumstances set out in his helpful letter to those who served on the Committee. He wrote:

> "However in some, admittedly rare, circumstances the regeneration challenges faced by some local authorities means that they need additional help and support."

I hope that he will confirm that that is the case, and that it will not be a question of money. Intervention should not take place simply because the HCA has resources that the local authority does not have. The issue should be genuinely one of capacity to develop, rather than of access to resources. If resources alone were holding the matter up, one could simply argue that they should be given to the local authority. There should be some reason other than lack of access to resources for the power to be activated. Will the Minister confirm what has been virtually taken for granted—that, as far as he knows, his Secretary of State is not hatching any plans to make a designation order in respect of any part of England in the relatively near future?

7.15 pm

At the beginning and end of his speech, the Minister said rightly that the climate had changed. There was an implication that the amendments under consideration were a response to that change, but I hope that he will not make that case. The climate has changed, and if he is to respond to that, he will need a much more dramatic response than that suggested in the many amendments under consideration. I hope that his Department is considering a range of initiatives that will help to address that change, because, welcome though the amendments are, they are not an adequate response to it.

Mr. Iain Wright: I shall respond to hon. Members' comments about the amendments.

The hon. Member for Welwyn Hatfield (Grant Shapps), who seemed to welcome the moves made with regard to the amendments, mentioned three points. First, he made welcome comments about our move with regard to design, to which my hon. Friend the Member for Thurrock (Andrew Mackinlay) referred. Secondly, he reiterated what he said in Committee about the relationship between the agency and local authorities. Thirdly, he mentioned the number of amendments—717—tabled by the Government since the Bill was introduced.

The whole House would agree that this is an important Bill on a vital topic—housing and regeneration—and it is important that we get it right. I make no apologies for making changes and listening to points made by Members on both sides of the House, and by Members of the other place, to ensure that we get the legislation right. As I have tried to make clear throughout the Bill's passage, I am in listening mode. I have tried to take on board the points about sustainability made by my hon. Friend the Member for City of Durham (Dr. Blackman-Woods), those about design made in another place and referred to in Committee, and those about accessibility made by the right hon. Member for North-West Hampshire (Sir George Young). I have taken those and other points away for consideration, and tabled amendments. Therefore, I do not agree with the hon. Member for Welwyn Hatfield because I believe that there has been an element of political consensus to ensure appropriate scrutiny, and the Bill and its provisions have been much improved as a result.

Mr. Stewart Jackson (Peterborough) (Con): Surely the Minister will concede that it is deeply unsatisfactory that the bulk of the time available to debate the Bill on Report was taken up with relatively arcane discussions of the housing revenue account. In that respect, the vast majority of the amendments were not even debated.

Mr. Wright: I disagree with the hon. Gentleman, although I understand his comments with regard to the arcane features of the housing revenue account. I do not want to be ruled out or order, Mr. Deputy Speaker, but it is important that the financing of council housing is appropriately debated. It was a major topic of concern, certainly to my hon. Friends.

Lembit Öpik: I happen to agree with the specific concern of the hon. Member for Peterborough (Mr. Jackson). Will the Minister assure us that if we have inadvertently built in weakness to the Bill as a result of the compression of time and lack of consideration of an enormous number of amendments, he will secure Government time to ensure that we can right those wrongs, either in Statutory Instrument Committees or, ideally, on the Floor of the House? We all want the Bill to work, but there will almost certainly be unintended consequences arising from our inability to test aspects of the Bill on the Floor of the House prior to its implementation.

Mr. Wright: I understand what the hon. Gentleman has said and I respect his views, but I repeat that a fair proportion of the amendments tabled in the other place were a direct response not only to his good self, but to amendments tabled by Members on both sides of this House. I consider that the Government have listened and responded, and that as a result the Bill is much tighter and displays a real political consensus that was not there before. I said at the end of Third Reading that it was a much better Bill following the scrutiny applied by all Members in Committee, and I stand by that.

Grant Shapps: May I press the Minister a little further? He has almost congratulated himself on listening, which is, of course, very welcome. The right hon. Member for Greenwich and Woolwich (Mr. Raynsford) made the same point. However, given the number of amendments

[Grant Shapps]

tabled, would it not have been better to listen at an earlier stage? The amendments could then have been scrutinised properly in Committee, and we would not have had to deal with 274 amendments—I think that is correct; I know that the Minister will correct me if I am wrong—on Report.

Mr. Wright: In many instances, we had to resolve to take amendments away and think about how they could be enacted. The amendment on tolerated trespass is one example. I know that I may be ruled out of order if I refer to other groups of amendments, but the proposals relating to the European Court of Human Rights, homelessness and eligibility for housing involved complicated issues and required time for reflection. I think that the handling of the Bill in both Houses has greatly strengthened its provisions, and has made the HCA sufficiently strong and flexible to deal with concerns about increasing supply and regenerating communities in England.

Margaret Moran (Luton, South) (Lab): I agree with my hon. Friend. In Committee, when we were discussing the establishment of this important organisation, he repeatedly offered to take the amendments away to consider them, and I am very pleased that they have returned to the House in their current form. Does he agree, however, that it is unfortunate that, largely because of what the Opposition were doing, we devoted almost all our time to this issue and did not spend enough time discussing the Tenant Services Authority? I feel that we could have focused more on the empowerment of tenants, and I hope that we shall move on to the subject swiftly this evening.

Mr. Wright: I see that you are poised to pounce like a cat, Mr. Deputy Speaker, so I shall be careful to remain in order.

The subject of design was raised by the hon. Member for Welwyn Hatfield and my hon. Friend the Member for Thurrock, and I agree with both of them. The hon. Member for Welwyn Hatfield may be surprised to learn that I think local planning authorities should be more robust in rejecting planning applications that do not step up to the plate. My hon. Friend said—I think I quote him correctly—that at best some housing developments are bland, and that some suggest lazy initiatives on the part of developers. I would go further: I consider some developments depressing and demoralising.

Throughout the Bill's passage, I have said that the current system is short-term and expensive for the public purse. If we build boxes or rabbit hutches now, in 20 or 30 years we shall need substantial amounts of public money to deal with the resulting problems. I do not want someone to stand at this Dispatch Box in 2040 saying that we must deal with the design and planning errors of 2010 or 2015.

Margaret Moran: Many of us hark back to the good old days of Parker Morris standards. We know that good design has been achieved in the past. Can my hon. Friend assure us that, if the Government purchase existing developments in order to meet our housing targets, those properties will meet high design standards, their quality will be no lower than we would expect of our affordable housing stock, and their design will last for generations, as it will need to?

Mr. Wright: My hon. Friend has raised an important point. As she will know, we recently announced that £200 million would be given to the Housing Corporation so that it could buy empty homes during the current economic downturn to ensure the continuation of supply and development. I believe that the additional safeguards in the Bill relating to design and accessibility will help to achieve the objectives to which she has referred.

Andrew Mackinlay: Will the Minister give way?

Mr. Wright: I am keen to proceed to the second group of amendments, but I will give way.

Andrew Mackinlay: I welcome the Minister's comments. Will he take this opportunity to encourage local authorities to take more advantage of their powers to demand good facing materials, and also not only to use but to enforce their powers relating to landscaping conditions? That is often an area of neglect: after their imposition, such powers are not enforced.

Mr. Wright: I agree wholeheartedly with my hon. Friend. As I said at the outset, the current framework provided by planning policy statement 1 and, in particular, PPS3 makes it clear that local authorities should deal with planning and design. It is true that landscaping is sometimes an afterthought when it ought to be taken into account at the start of the development process. The HCA will ensure that the Academy for Sustainable Communities can provide the necessary expertise, helping to increase skills and capacity in relation to a range of planning, building and landscape functions. I hope my hon. Friend agrees that that is a positive step.

The hon. Member for Montgomeryshire (Lembit Öpik) described the amendments as encouraging, but made the reasonable point that we should not produce legislation based on the personality of the first chief executive. I do not think that we have done that. I think that we have a very strong first chief executive in Sir Bob Kerslake, but I also think that the framework established by the Bill will ensure that that will continue.

The hon. Member for Welwyn Hatfield repeated a point that he had made many times in Committee about the relationship between the HCA and local authorities. I believe that Lords amendment No. 51 goes a long way towards dealing with his concern about local government involvement by ensuring greater transparency and accountability. It sets out a clear framework enabling the agency to consult local government representatives so that they can implement the agenda together. I did not detect any welcome for that provision in his comments, but I am sure that he welcomes it none the less.

The right hon. Member for North-West Hampshire was right to use the phrase "nuclear option" in relation to designation orders and ensuring that the HCA was the local planning authority. We consider that orders would be made in extremely rare circumstances. The right hon. Gentleman also repeated a direct question that he had asked me in Committee: he asked whether we had any immediate plans to ensure that these powers would be exercised. The short answer is no, as it was in Committee.

I detected a general welcome for the amendments. I hope that the House will accept them, because I believe that they make it easier for the HCA to improve housing supply and regenerate communities in England in a sustainable and well-designed way.

Lords amendment agreed to.

Lords amendments Nos. 2 to 64 agreed to [some with Special Entry].

After Clause 68

New Clause

Lords Amendment: No. 65.

7.30 pm

Mr. Iain Wright: I beg to move, That this House agrees with the Lords in the said amendment.

Mr. Deputy Speaker: With this it will be convenient to discuss Lords amendments Nos. 66 to 168, 203, 204, 209, 211, 245, 263, 268, 276, 282, 294, 295, 299, 304, 306 and 309.

Mr. Wright: This group of amendments is related to part 2 of the Bill, which establishes the new social housing regulator. Before I come to the amendments, I would like briefly to update the House on important developments to the regulator since the Bill left us to go to another place following the Third Reading debate in March. First, the regulator has a new name. During the Bill's passage through this House it was known as the office for social tenants and landlords—or Oftenant. Without exception, nobody liked the name. It has now become the Tenant Services Authority—the TSA—which better reflects the organisation's core regulatory function of protecting tenants. Secondly, the two senior appointments to the regulator have been made. Anthony Mayer is the first chair and will bring a wealth of experience to the role, given his excellent track record in social housing, local government and the financial sector. Peter Marsh is an excellent choice as first chief executive; his background in the fields of registered social landlords and local authorities will mean that he recognises the need to ensure tenants receive a high-quality service. Finally, the House should be aware of our recent announcement that we would like to see at least two of the positions on the TSA board filled by people with direct experience of being a tenant. Any regulatory system that professes to put tenants at its heart has to give tenants a say at the highest level. With these board appointments, that is precisely what we intend to do.

I would now like to discuss an issue that has occupied us since the Bill's introduction: cross-domain regulation. As we have made clear from the start, we are fundamentally committed to expanding the regulator's remit to cover local authority housing. This would be consistent with the recommendations set out by Professor Cave in his report, "Every Tenant Matters". I believe this commitment became even clearer when the Government's draft legislative programme for the fourth Session was published in May, as it included a community empowerment, housing and economic regeneration Bill that would deliver, among other things, cross-domain regulation.

However, during the passage of this Bill there has been strong cross-party support in both Houses for taking an enabling power in the current Bill. This would enable us to implement cross-domain regulation through secondary legislation, rather than through the route of a fourth-Session Bill. I am not convinced that this would be a particularly advantageous method of achieving the shared goal we all want. It would not deliver cross-domain regulation any faster, as it will be complicated to draft the provisions whatever legislative route is chosen, and it would limit the opportunity for Parliament to scrutinise what will be an important and complex piece of legislation. However, it is also clear that Parliament has shown its preference. The argument that the regulator's culture would develop and be defined if it only covered RSLs at the outset and there was no commitment in the Bill to include local authority social housing were strongly advanced in Committee and in the other place. On the basis of that strength of feeling, we brought forward an enabling clause on Third Reading in the other place so that the TSA's culture and operating approach would be defined by the commitment to regulating both RSL and council house tenants.

The power contained in the new clause in Lords amendment No. 75 is unavoidably wide given the range of relevant legislation that will need to be amended. I am somewhat surprised that the other place was content with its broad scope. However, its broad nature is necessary, because it would be counter-productive to Parliament's wishes if we were to forgo the opportunity to include cross-domain in this Bill only to find that we had drafted an enabling clause too tightly. However, Lords amendment No. 203 requires that the power will be subject to the affirmative resolution procedure in Parliament, and we intend to conduct a full public consultation on the draft regulations before they are laid before Parliament. This is a significant development, and one that I believe the whole House will welcome. It will mean that council tenants will enjoy the same protections and support from the regulator as housing association tenants without the need for a further Act of Parliament.

In a similar vein—I see that my hon. Friend the Member for Stroud (Mr. Drew) is in his place—the Government have always been committed to the development of well-managed and financially viable community land trusts. As I announced in April, we intend to consult later this year on how we can help to develop the community land trust sector further and overcome some of the barriers. We intended to consult at that stage on whether there should be a legal definition of community land trusts, but in view of the cross-party support in both Houses—led most eloquently by my hon. Friend—which strongly urged us to use the opportunities provided in this Bill to help support CLTs still further, we have accelerated this timetable to give a definition of community land trusts. Lords amendments Nos. 66 and 67 define CLTs. In drawing up this definition, we have worked closely with the CLT movement, and I am grateful for its positive and constructive input.

Part 2 of the Bill concentrates on raising the standards of housing services for tenants of social housing. A key part of achieving this objective is greater tenant empowerment, with better access to meaningful information to hold their provider of housing to account. Lords amendments Nos. 69, 70, 103 and 124 to 127 are about complaints and guidance. It has never been anticipated that the job of the regulator would be to address the bulk of tenants' complaints; that is the responsibility of landlords themselves, through their complaints procedure,

[Mr. Iain Wright]

and of the housing ombudsman. However, we have also always acknowledged that the TSA needs to be responsive to evidence from tenants and others about systematic failures by a provider, and to use that evidence to trigger regulatory intervention where needed to raise tenants' standards or improve financial viability or governance. Lords amendments Nos. 103 and 124 to 127 amend clauses 190, 212 and 213 to achieve this objective explicitly. They require the TSA to issue guidance specifically relating to complaints about the performance of providers. The guidance must set out the procedure to be followed in making a complaint, the criteria to be used by the regulator in deciding whether to investigate, and the periods within which the regulator will aim to inform complainants of the result of complaints. The TSA will be obliged to consult tenant representatives before issuing this guidance. Lords amendments Nos. 69 and 70 also require it to include in its annual report a general description of the complaints it has received during the year and how it has dealt with them. This would improve transparency and accountability.

As part of tenant empowerment, we believe passionately that tenants should have the opportunity to be involved in the regulatory function. This is at the heart of part 2 of the Bill, with such measures as the requirement to consult tenant representatives on standards and guidance. I have already mentioned our wish that at least two of the regulator's board members should have experience and direct knowledge of being a tenant. However, we are still keen to go further. Lords amendment No. 71 therefore inserts a new clause in the Bill to ensure that there is a statutory duty on the TSA to promote awareness of its functions among tenants and, where appropriate, to consult or involve them in the exercise of its functions. The new clause also requires the regulator to publish a statement describing how it will fulfil these duties. These additional statutory responsibilities have been warmly welcomed by key stakeholders, including the National Consumer Council, the Tenant Participation Advisory Service and the National Federation of ALMOs.

Debate in both Houses on part 2 of the Bill rightly concentrated on the appropriate balance to be struck between the wish to increase tenants' standards, allowing the regulator appropriate powers to raise those standards and the fact that registered social landlords are independent bodies with responsibility for managing their own businesses. I have been aware at all stages of the Bill's passage of concerns regarding regulatory creep or the passporting of policies from the Secretary of State to registered providers. The regulator must minimise interference and not misuse its powers, and it must act on the basis of evidence and of real need. With these broad aims in mind, we have responded to concerns that the major enforcement powers should be exercised only in the event of serious problems. Accordingly, Lords amendments Nos. 141, 142, 147 and 155 to 162 amend the regulator's enforcement powers of management transfer, transfer of land, amalgamation, restrictions on dealings and removal or suspension of an officer. These enforcement powers could only ever be used after an inquiry, and their use would also be subject to the various other protections in the Bill against disproportionate regulatory intervention. Nevertheless, these amendments have provided further reassurance by removing so-called "breach of standards" as grounds for use of these enforcement powers. We have also required that the regulator must obtain consent from the Secretary of State before using them.

In addition, we have addressed the concerns expressed in Committee by the hon. Member for Montgomeryshire (Lembit Öpik) that the fees set by the new regulator might be excessive. With Lords amendment No. 76, the Bill now requires the TSA to seek the Secretary of State's agreement to the principles on which fees are set. That is a move from the original process, whereby the Bill required the regulator to consult the Secretary of State on those principles.

Lords amendments Nos. 108 to 119 relate to the inspection of registered providers. The Audit Commission inspects the overall management performance of all large housing associations over a certain period, and that has helped the overall and broad increase in standards, but given the new framework, in which investment and regulatory functions are being split, with the latter concerned with risk-based approaches, things can be done differently. Unlike the somewhat mechanical and cyclical current system, whereby inspections take place in a very similar way regardless of the risk across providers, the regulator will determine when an inspection is needed and what its scope should be. The aim is specifically to allow the regulator to pick up on things such as serious concerns about a provider's performance as a result of information it collects or concerns raised by tenants and others about a specific estate.

Lords amendment No. 108 requires that the TSA must engage the Audit Commission to conduct inspections related to housing management functions—on standards—under clause 191. We do not wish the Bill to give rise to a plethora of different inspectorates, as we believe that would be unhelpful, confusing and counter-productive. However, other bodies, such as a major accountancy firm, for example, may be used to investigate governance or financial concerns, or anything that does not come under clause 191.

We have also responded to concerns raised in the Commons Committee stage about the disposal consents regime. Registered social landlords are currently required to seek the Housing Corporation's consent for the disposal of any land. Lords amendment No. 89 ensures that where a non-profit registered provider wishes to sell a home that is let under a secure tenancy, it can do so only to another non-profit registered provider. Some of the protections of a secure tenancy rely on the status of a landlord as a public sector landlord or registered social landlord—or non-profit registered provider, as they will be known under the Bill. We do not wish to see a home let under a secure tenancy transferred to a non-profit making registered provider, as that would be contrary to this part of the Bill's philosophy of protecting social housing tenants. The amendment makes that clear by explicitly prohibiting such a disposal. Lords amendments Nos. 90, 95, 96, 101 and 102 would ensure that disposals need only the regulator's consent for social housing. Disposals of land not including social housing will not require the TSA's consent.

Much like the group of amendments on part 1, this group also contains a number of minor and technical amendments designed to ensure that the Bill's clauses work properly in practice. For example, the group includes amendments to restrict the TSA's information-sharing powers, in response to concerns raised by the Joint

Committee on Human Rights. Lords amendment No. 78 arises directly from concerns raised in Committee stage by the hon. Member for Montgomeryshire that a requirement of the High Court to be the arbiter of an appeal against the decision of the regulator in respect of registration or deregistration would be, "Overkill and extortionately expensive"—I think that that is a direct quote. I agreed in Committee to go away and look at the matter, and we therefore tabled an amendment in the other place to see whether there could be a viable first-tier tribunal route. We see advantages in terms of lower costs and a reduced burden for smaller registered providers. The amendment therefore allows the Secretary of State, by order, to transfer the functions to the first-tier tribunal.

I apologise to the House for taking some time in addressing the amendments in part 2 of the Bill. Like my hon. Friend the Member for Luton, South (Margaret Moran), who touched on this in her intervention, I hope that the House will agree that they go a significant way to improving the Bill. They are an important part of the Bill, because they allow us to achieve our objectives: giving all social tenants more choice and a greater say over how their homes are managed; eliminating unnecessary regulation and bureaucracy; protecting public investment; and, crucially, improving standards for tenants. I commend the amendments to the House.

Grant Shapps: Again, I broadly welcome this group of amendments, despite the fact that they come too thick and fast, and too late in the process for the liking of Conservatives. The Minister will be interested to learn that we did not object to the idea that the office for social tenants and landlords might be known as Oftenant, rather than the Tenant Services Authority, which for some reason does not roll off the tongue so easily. He decided on his own to make an amendment to the name.

7.45 pm

On the substance, we had a long debate in Committee on the cross-domain regulation of Oftenant or whatever its new name; it has not been born yet, but already its name has been changed. It was strongly felt on both sides of the House that the idea of having a regulator that regulated only registered social landlords and did not regulate other social landlords, including local authorities, made nonsense of the purpose of providing fair regulation across the social sector. I welcome the Minister's U-turn. He mentioned in response to the previous group of amendments that I had forgotten to welcome some of them, but I do welcome them, because U-turns are nearly always welcome in this regard.

It was curious that we could not get these changes in direction a little earlier, because all the way through the passage of the Bill there has been a compelling case for doing all this at one time. I do not accept the Minister's arguments that it would be as complicated, or even more complicated, to describe these things in the primary legislation because lots of complicated secondary legislation would be required; such an approach clearly has to be more straightforward than introducing an entirely new Bill to provide exactly the same circumstances—the single regulator, whatever its name—across all social housing. Council tenants deserve nothing less than such provision; there is no reason to separate this into two. I am made to wonder what the Government will now do, given that they have announced a pre-Queen's Speech legislative programme in which they will legislate on this matter. Presumably, there will be one fewer piece of legislation or a gap in the programme—I am not sure which. I welcome the U-turn, although it could have come a little sooner. That would have allowed us a little more time to debate it, but, as I say, I think that both sides of the House agree on the measure.

There is also significant agreement on the welcome inclusion of a legal definition of community land trusts. I know that the Minister is aware of my interest in this subject. I had the pleasure of visiting a CLT self-build in Rock in Cornwall, about which I have spoken in this House previously. I found a community that was building its own homes; it was a do-it-yourself community land trust—a DIY CLT, to add more initials to this already complicated area. These individuals were leaving work at 5 pm and going to the CLT to build their own homes. I went there thinking that perhaps they had commissioned architects to build the homes for them using all the best principles, but they were physically constructing their own homes on evenings and at weekends.

The No.1 problem that those soon-to-be residents of the CLT had was that nobody in the finance world understood who they were and what they were trying to do, so for a long time—a year, in fact—they had battled to try to secure the finances for this thing called a CLT. Despite the fact that the financial institutions had an RSL helping them with the process, they simply could not get it into their minds where this fitted into the housing regime. When I put these points to the Minister on Report and, perhaps less forcefully, in Committee, he clearly told me that defining a CLT would add to the list principle that he most strongly rejected at the time—he has since changed his mind on that.

That practical example alone, as well as contact with many others who are now attempting to start their own CLT, convinced me that a legal definition, a framework, put in place by this House, which would help those who want to pursue the ultimate goal of a community based around the concept that people could live on a piece of land that would stay in common ownership in perpetuity to the benefit of those who came after them, has to be a good one.

The principle that land tends to be such a vast amount of the cost of any housing, even after a housing downturn, means that it must be right for this place to legislate a framework, a description, of what a CLT might mean in reality, and enable it, for example, to describe itself on a local basis. It is a classic example of what might be described as an enabling piece of legislation by Parliament, which can then be interpreted in the best possible way for the local community. I simply mean by that that the clause, which I am pleased to see is largely as we proposed it in Committee and now accepted by the Minister, will allow people locally to decide their own rules for the CLT. For example, it might include a commitment that the houses in the trust would remain for the use of people with local connections. Thus, in Rock in Cornwall, where it is now phenomenally expensive for someone brought up there to move into a house—a situation that is reflected in various parts of the country—the CLT might say in its local rules that the housing must always go to somebody who was either born there or had a strong connection with the area, or whatever other criteria it wishes to put in place.

I welcome this national framework, matched with sensible localised rules, which means that CLTs will be accelerated in years to come. I look forward to working with the Minister, perhaps even going on a joint visit to one of the pilot schemes that has been set up in his constituency in Hartlepool to see these in action. In our desire to solve Britain's housing crisis, CLTs could point the way forward. I welcome the measure in particular because his response in Committee was so discouraging and demoralising. When I proposed a clause that was almost identical to the one now in the Bill, the Minister said that did not want to prescribe too overtly the various mechanisms by which the Homes and Communities Agency might help to deliver housing. He was also concerned about the future-proofing of such legislation. The Committee divided on the amendment, which was negatived, so I welcome the change of heart. I will be delighted to work with him to ensure that CLTs help to become the solution to the nation's problem—to move from the test-bed and into reality, on a scale that is large enough to make a significant difference to communities throughout Britain who would greatly appreciate the outcome.

The Minister talked about tenant empowerment and, broadly speaking, I welcome and agree with some of the changes, which may not go far enough, but I respect the fact that we do not have the time this evening to get into the detail that was possible in Committee. *[Interruption.]* The Minister says that we do, but unfortunately we do not because the programme motion on which we divided gives us only until a certain hour. None the less, I do not want to be churlish and it should be said that the addition of greater tenant empowerment is to be welcomed. Of course it must be right that tenants play an active part in the way in which their communities and housing is run. Of course, almost by definition, the quality of housing must be improved when one allows the very people who have most to gain from good housing to be actively involved in its management. Therefore, these are welcome amendments, which we support.

Enforcement and control of the registered social landlords is yet another area covered by these many amendments where there has been a move in the right direction. I well remember the shock and concern of RSLs, as expressed through the National Housing Federation. They were running around frightened that the Bill would, perhaps even inadvertently, have the effect of partially nationalising a charitable element of housing by producing so much ministerial and state control over the RSLs that they ceased to operate freely, external to Government organisations. That concern was not just my own. I am sure that Treasury Ministers must have shared the concern that £35 billion or £38 billion of debt could end up on the Government's balance sheet at a time when I am certain that, for reasons of economic downturn and perhaps competence or otherwise, it would not have gone down well in No. 11 Downing street.

The Minister quite bravely argued at an earlier stage that it was not necessary to water down the aspects of the Bill that dealt with the potential control of RSLs by the Secretary of State. But, again, I am pleased to see the amendments, without which we would end up in a situation where the flexibility, the entrepreneurship, the dynamic that makes housing associations work in providing housing would have been to some extent, or perhaps to a great extent, choked off, unintentionally or otherwise, by the Bill. Therefore I welcome the changes.

I also welcome the realisation that if the Secretary of State was to ensure that appeals all went to the highest court in the land, the system would be snarled up to such an extent that it would be unworkable. The fact that a first-tier tribunal could be provided as a way of transferring responsibility from the Secretary of State for such decisions is to be greatly welcomed.

These are all good common-sense amendments to the Bill, which the Opposition welcome, not least because more than one of them were proposed by us and voted against by the Government. However, it is a pity to have literally had to reach the last hour or two of the Bill before having the opportunity to reflect on the changes. I say again to the Minister that better drafting, more thought, less dithering, or whatever it takes to have the right measures put in place early on, would have meant that this House and Parliament in general would have had a better opportunity to scrutinise the legislation and make it better for everyone who will rely on it.

Mr. Raynsford: I welcome the further amendments that we are considering, but I must correct the impression given by the hon. Member for Welwyn Hatfield (Grant Shapps) that these are the sum total of the amendments to the Bill in respect of the status of housing associations and the risk to their classification as non-public sector bodies. In practice, the main amendments that safeguarded the position of housing associations were carried on Report in this House before the Bill went to the other place, following a detailed debate on these issues in Committee.

Grant Shapps: I understand and appreciate the right hon. Gentleman's comments, but does he agree that even though the amendments were made on Report, the three hours that we had to consider them was completely inadequate?

Mr. Raynsford: I will not debate the adequacy of Report stage, given the large number of amendments. I have expressed a view elsewhere on that subject and I alluded to it earlier in our proceedings this evening. I was simply correcting the implication that we had the amendments only at this late stage, because much of the work was done at an earlier stage. I welcome that because the Bill as originally drafted had defects, which I outlined on Second Reading and in Committee, and I welcome the positive response of my hon. Friend the Minister who listened and considered carefully, and who introduced amendments.

It is important, given that the National Housing Federation has been referred to, to put on the record the comments made by David Orr, chief executive of the federation, who wrote in this week's *Inside Housing*:

> "The fact that ministers were prepared to alter the bill, which is due to become law within the next few days, shows them in a very positive light. It proves they are willing to listen and, where appropriate, change their minds."

I pay tribute to my hon. Friend the Minister for showing exactly those characteristics in the way in which the Bill has been improved.

8 pm

I particularly welcome the further change in respect of the anxieties among registered social landlords that they could technically find themselves subject to enforcement proceedings by the new authority simply because of a failure to meet a standard. The possibility that a transfer of land or amalgamation or transfer of management powers could be justified simply on the basis of a failure to meet a particular standard has now been removed by the amendment to which my hon. Friend the Minister referred earlier, so there is a further safeguard there.

My main concern is that a new authority is coming into existence—I welcome the change of name, as the new one is much better than the previous one—with considerable expectation on it. I share the view about the competence of the new chairman and the new chief executive. Anthony Mayer was, of course, a distinguished former chief executive of the Housing Corporation, so he is very familiar with the processes of overseeing the work of housing associations. I am sure that he will bring to his new role as chairman of the authority considerable insight, expertise and acumen, which will benefit it greatly. Peter Marsh, the deputy chief executive of the Housing Corporation, comes in with similar expertise as the new chief executive.

My worry is that the new authority will be expected to do an enormous amount in a relatively short time. Not only will it have to create the new regulatory regime for housing associations but it will, perfectly properly, have to extend that to cover local authorities and arm's length management organisations, too. That is a good objective that also imposes additional burdens. It will have to put in place complex procedures for ensuring that tenants are empowered, engaged and consulted on the procedures. At the same time, it will have to pay heed—this will be a strong priority in the current market circumstances—to the need to ensure the viability of social housing providers, who might well be under a certain pressure because of the impact of the credit crunch.

We know from the story of the Ujima housing association at the end of last year and the beginning of this year how extremely important it is to have an effective regulatory regime that can intervene quickly and effectively to reassure lenders and tenants when there has been possible mismanagement or a failure by a registered social landlord to maintain proper standards and when, as a consequence, there is a risk of those tenants losing their homes or of the association going into insolvency. In that situation it is clearly necessary for the new regulator to act quickly, decisively and effectively. I believe that the powers created in legislation enable that to happen.

Inevitably, there is a tension between acting swiftly and effectively and ensuring a proper consultation and opportunity for everyone to have their say, including the body concerned and its tenants. In its early months, the new authority will face some serious challenges in ensuring that it has effective machinery in place that will command the confidence of the lenders and ensure the integrity of social housing providers while, at the same time, putting in place all the other procedures for effective tenant engagement and responsiveness to tenant aspirations.

I hope that we have an implementation timetable that will ensure that all those tasks can be done in an orderly but effective manner. It would be a tragedy for social housing if the new procedures were not introduced effectively or if there was any possibility that individual cases that caused concern might fall through the net. I do not want to exaggerate the risk, although there has been evidence in the past few days of another registered social landlord being brought under supervision because of concerns about the way its affairs have been managed. This is a germane issue and I hope that the Minister will give considerable attention once the Bill is an Act to ensuring that the implementation procedure is carried forward in a way that enables the authority to meet its considerable responsibilities effectively.

Dan Rogerson (North Cornwall) (LD): The hon. Member for Welwyn Hatfield (Grant Shapps) referred to the number of changes that we are seeing later on in the process, and I should apologise for my appearance at this late stage, too. I was present on Report to hear about community land trusts, to which the hon. Gentleman referred, too.

I had the honour of serving on the Committee on the Planning Bill, which ran concurrently with the Committee on this Bill, and so I was elsewhere during that stage. However, I have looked at the amendments that we are considering and some of the discussions in another place, and it is clear that the Bill has come on in leaps and bounds and has moved forward. There seems to be a great deal more consensus about the direction of travel.

I deal first with the amendments relating to community land trusts. The hon. Member for Welwyn Hatfield referred to Rock, in my constituency, a number of times. It would perhaps have been nice if he had given me notice of his plans to do so; it would also have been nice if he had told me that he was coming to the constituency. It would have been nice to have seen him there and to have welcomed him, but—*[Interruption.]* I have always made a point of giving such notice myself, and I understood that that was the practice of the House. None the less, I welcome the fact that the hon. Gentleman is reaffirming his party's commitment to community land trusts. My party has been committed to them for some time—indeed, local authorities in Cornwall were working with Cornwall Rural Housing Association to move forward on the issue, which is why the hon. Gentleman had the benefit of seeing something on the ground and in practice.

As the hon. Gentleman rightly pointed out, the scheme in Rock is a self-build scheme. I had the honour of introducing my right hon. Friend the Member for Sheffield, Hallam (Mr. Clegg) to another scheme, one that was being run with Cornwall Rural Housing Association in Blisland, up on Bodmin moor, in my constituency. That scheme involves a mix of more conventional properties for rent through the housing association and the community land trust board. However, that scheme has had to be pushed forward with the help of North Cornwall district council because, as the hon. Gentleman said, despite the fact that the Government have said they favoured the community land trust model, there did not seem to be the confidence that the funding mechanisms were in place to allow it to go forward through the Housing Corporation. Although North Cornwall district council was in the right place at the right time to ensure that that scheme moved forward, I hope the amendments will mean that any other community land trust that faces the same problems will be able to get around those

[Dan Rogerson]

issues and receive funding in the normal way. We will see a big development in this sector, and both sides of the House seem to be in agreement that that is a positive way forward.

I pay tribute to the work of Cornwall Rural Housing Association. It is committed to the scheme, and to developing first a Cornwell-wide model and, hopefully, more local models within that. I hope that I have been a vocal advocate of that, in terms of speaking to Members on both sides of the House.

Grant Shapps: I apologise to the hon. Gentleman if the message from my office about the visit did not get through. He certainly represents a very beautiful part of the world. Does he agree that the problems that the rural housing association experienced in trying to assist the community land trust at Rock would have been helped—and will be, I hope—by the inclusion of the vital description of CLTs in the Bill?

Dan Rogerson: There seems to have been an issue in that community land trusts know what they mean by that title, and many people around seem to know, but when finance is involved financial backers want a definition in legislation. That gives backers the confidence, understandably, to put our collective money where our political mouths are.

Mr. Andrew Love (Edmonton) (Lab/Co-op): Although I agree in principle that a provision in the Bill will assist us, the hon. Gentleman might consider the experience of the co-operative movement over a long period. The definition of a co-operative was written into law, but it was not much good in assisting the movement in obtaining the finance it wanted.

Dan Rogerson: I bow to the hon. Gentleman's experience. He makes an important clarification of the situation we face with regard to community land trusts.

In the other place, my noble Friends raised issues about qualifying disclosure, which is a welcome change to the Bill, so that we can be confident that information is passed on only when absolutely necessary. Of course, discs have gone astray in transit in other circumstances, but I am sure it will not happen again in future.

As the Minister said, there have been clarifications about the disposal of land. The process should not necessarily be subject to the same regulation as social housing and should allow registered social landlords to behave in a way that better furthers their agenda to deliver affordable housing. I welcome the fact that under amendment No. 203, Parliament will have a further chance to look through the affirmative procedure at the enabling powers to which the Minister referred.

Having had the chance to look at the Bill only at a late stage, I am in a happy position, because we seem to be moving towards a measure that everybody is a little happier about. The Minister said that we want a regulator who acts in the interests of tenants and not necessarily in the interests of the policy objectives of the Government of the day. If the amendments take us closer to an organisation—what will now be called a TSA—that very much acts in the interests of tenants, the Liberal Democrats will be much happier when that lies at the heart of the Bill.

Mr. David Drew (Stroud) (Lab/Co-op): I shall speak narrowly to amendments Nos. 66 and 67, which I am delighted will be incorporated into the Bill. I record my thanks to Lord Graham, who tabled them in the other place and who, in his wily and indefatigable way, persuaded all and sundry of the wisdom of including them. I also thank my hon. Friend the Minister and the Ministers in the other place, Baroness Andrews and Lord Bassam—

Linda Gilroy (Plymouth, Sutton) (Lab/Co-op) *rose*—

Mr. Drew: I was about to thank my hon. Friend, but as she wants to intervene she can do her own song and dance act.

Linda Gilroy: My hon. Friend, too, should accept some of the thanks for moving the matter forward. My thanks also go to the Minister.

Does my hon. Friend agree that the provisions will help to make a difference not only in rural constituencies such as his and those of Opposition Members but in constituencies such as mine? The report that I recently placed before the Minister included a recommendation that we should recognise community land trusts.

Mr. Drew: Of course I agree. It is important that we move on after quite a tortuous process, but it is better to get the legislation right rather than doing things hurriedly and ending up with the wrong legislation. The Opposition laudably tabled the proposals in the first place, but the only problem was that they were in the wrong part of the Bill so they would not have done quite what we wanted. I am glad that the process has worked as it should and has teased out the facts, looked at the information in totality and applied it in the most sensible way possible so that we have a piece of legislation that is fit for purpose.

I thank David Rodgers, the chief executive of CDS Co-operatives, who has done much work behind the scenes. He is not completely satisfied, as the Minister knows. We shall live to fight another day, because we want to look at some of the ways land trusts can apply to other aspects of community ownership as well as housing. The wonderful community empowerment Bill is coming up, and we hope to look at the issue then and make use of the wonderful opportunities that are being offered. I will not use the words "social engineering", which are dangerous in this day and age, but we can consider how communities can engineer opportunities to solve their problems. I make no bones about the fact that the issue is important in rural areas and, as my hon. Friend the Member for Plymouth, Sutton (Linda Gilroy) says, it is important in urban areas, too. The main thing, however, is that we see it as important in its own right and not as something that will sit on the shelf gathering dust. The provisions will actually make a difference. A form of ownership was beginning that had no statutory basis whatever. That could not be right; it could have led to all sorts of legal challenges in the future. Quite apart from the issue of finance, there is the simple fact that community governance could have been undermined if there was a legal challenge. It is absolutely right that the provisions are in place.

8.15 pm

I have two caveats, which we might consider in subsequent measures. My hon. Friend the Minister will no doubt have an overview of any legislation that may be introduced in the next Session. We need to consider both how we define communities and how they generate enthusiasm for ideas bottom-up. We need to be careful, because the current definition is a bit narrow and self-seeking. We need to ensure that it gives as much opportunity as possible.

In addition, my friend David Rodgers would have words with me if I did not point out that we need to make it clear that in terms of forms of mutual home ownership, there is a particular co-operative way in which community land trusts can operate. If I did not make that point, it would also disappoint my three Co-operative friends on the Labour Benches—*[Interruption.]* My hon. Friend the Member for Loughborough (Mr. Reed) has just glanced at me. I apologise for not including him. The mutual home ownership model is not the only form of community land trust and not necessarily the most preferred model at present, but in essence it is a genuinely co-operative form of ownership that some of us—especially at the Cashes Green scheme that the Minister will be visiting shortly—are keen should be pioneered. We think it has particular advantages where a community has really begun to address its problems and to propose solutions in which it has complete faith because it has ownership of them.

I thank the Minister. This is a wonderful day because it is nice to see a bit of legislation on which I may have made an imprint, although I would in no way claim responsibility for it.

Mr. Iain Wright: With the leave of the House, I shall comment briefly on some of the issues that have been raised. I thank Members on both sides of the House for their comments and the generally warm sentiments that have been expressed about the amendments. I should like to make a number of points on cross-domain regulation and community land trusts, particularly with regard to the comments made by the hon. Member for Welwyn Hatfield (Grant Shapps).

I am sure that the hon. Gentleman does not want inadvertently to mislead the House; I do not want him to rewrite history and make it seem as though I had been fundamentally opposed to cross-domain regulation and community land trusts but suddenly underwent a conversion halfway through the passage of the Bill. I have always said that cross-domain regulation was an objective that we should pursue. I said time and again in Committee that the issue was complex and would require detailed consideration, helped by the work of Professor Ian Cole. Frankly, I also thought that the other place would not like a broad enabling clause—a so-called Henry VIII clause—to allow the provision to come into being, but I was wrong. The will of Parliament was clearly expressed, and that is why the measure was included in the Bill.

I have always been a great fan of community land trusts. One of the 14 pilot areas is in my constituency. I think that CLTs are an incredibly important way of ensuring that land, buildings and assets generally are available for the local community in perpetuity. Again, it was always the intention that we would provide some legal definition of community land trusts.

Linda Gilroy: Will my hon. Friend give way?

Mr. Wright: May I finish my point? As I have discussed with my hon. Friend, whom I commend for her fantastic report on housing, which she recently gave me, I thought that the scope of the Bill that will be introduced in the fourth Session—the draft Community Empowerment, Housing and Economic Regeneration Bill—ticked all the boxes, with regard to community land trusts. I think that CLTs will be a key part of that Bill, and I thought that a legal definition could be provided in it. However, again, Parliament expressed its will, and the Government listened, and ensured that the definition was provided.

Linda Gilroy: I can confirm what the Minister says; he has had a long-standing interest in ensuring that community land trusts can prosper, as has my right hon. Friend the Minister for Housing and her predecessor, now the Chief Secretary to the Treasury. Some of us have discussed the issue not only with the Minister but with his colleagues, and we thank him for that.

Mr. Wright: I thank my hon. Friend for those kind comments. Like my hon. Friend the Member for Stroud (Mr. Drew), I pay tribute to David Rodgers of CDS Co-operatives and my noble Friend Lord Graham of Edmonton, a fellow north-easterner who always describes himself as Lord Ted of Ed. I am not sure whether it is parliamentary to describe my noble Friend as wily, but I think I know what hon. Friend meant. In general, the provisions on cross-domain regulation, community land trusts and tenant empowerment seem to have been warmly welcomed by the House, for which I am grateful.

My right hon. Friend the Member for Greenwich and Woolwich (Mr. Raynsford) made some incredibly pertinent points, as always, with regard to the nature and function of the regulator. Again, I am grateful to him for his kind comments on my involvement in the Bill. He made a good point about ensuring that business models are robust, particularly in the current climate; availability of finance is not what it was even six months ago. He is absolutely right to say that the regulator has a role to play. He also mentioned how important it is to make sure that the implementation procedure is closely considered in the period until the regulator comes into being, and I certainly pledge to do that. As regards regulation, he will know that previously there was only a very low level of intervention and a nuclear option. He knows that we are providing a new range of enforcement powers that essentially make the regulator more flexible and proportionate in what it does to raise standards for tenants. I welcome what has been said in the House tonight, and I hope that the whole House can approve the amendments.

Lords amendment agreed to.

Lords amendments Nos. 66 to 168 agreed to.

Clause 293

BALLOTS BEFORE CERTAIN DISPOSALS TO PRIVATE LANDLORDS

Lords amendment: No. 169.

Mr. Iain Wright: I beg to move, That this House agrees with the Lords in the said amendment.

Mr. Deputy Speaker (Sir Michael Lord): With this it will be convenient to take Lords amendments Nos. 170 to 200, 220 and 221, 223, 246 to 262, 273 to 275, 277, 279, 280, 288, 290, 307 and 310.

Mr. Wright: Lords Amendments Nos. 169 to 171 address the concerns that Members of both Houses raised about the adequacy of tenant ballots on stock transfer. The issue was raised on Report by my hon. Friend the Member for Great Grimsby (Mr. Mitchell), who mentioned the potential lack of objectivity in the information provided to tenants when stock transfer was proposed, both in his constituency and in other areas. The issue was also mentioned in the other place by my noble Friend Lord Whitty, who reiterated points about imbalance and the timeliness of information. I resolved to have a closer look at the issue on Report; that was the origin of Lords amendments Nos. 169 to 171. They would require the Secretary of State—or Welsh Ministers in relation to Wales—to publish guidance on the consultation process with tenants and the holding of ballots prior to the possible transfer of council housing stock to registered providers. The amendments also require local authorities to have regard to that guidance.

I am keen to put those requirements into the Bill to reflect the Government's commitment to ensuring that tenants are properly informed about and involved in issues to do with the future ownership of their homes. The amendments will provide a safeguard in circumstances where there is considerable cynicism and scepticism about the willingness to involve tenants effectively or to have due regard to the view of the majority. I hope that the amendments will be welcomed by the whole House.

I turn to the amendments relating to family intervention tenancies. The House will recall that such tenancies are a useful tool to allow families showing antisocial behaviour to be offered behaviour support services to tackle directly the root causes of such inappropriate and thoughtless behaviour. In our Committee considerations, the hon. Member for St. Ives (Andrew George) moved amendments to tighten up the general reference to the phrase "behaviour support services" and where they might be applied. The other place expressed similar concern with the definition of "behaviour support services", particularly about whether it might be too vague. It also thought that there was a risk of families giving up secure or assured tenancies to receive light-touch or irrelevant support services that would not give the family the skills to sustain a tenancy. The other place also echoed the anxiety expressed by Shelter over whether further clarification of the circumstances in which family intervention tenancies could be used was needed.

I am keen to ensure that such family intervention tenancies and related behaviour support services are relevant and effective. I agree with the other place that additional safeguards should be put in place when they are sensible and do not unduly compromise the flexibility of projects to carry out their activities. Lords amendments Nos. 177 to 180 and 185 to 189 therefore ensure that the behaviour support services provided under the family intervention tenancy—the FIT—be such services as are identified in the behaviour support agreement between the tenant, landlord and local housing authority. Behaviour support agreements set out clearly what support will be offered and by whom, and what in return is expected from those families. Before a FIT is entered into, the tenant must be served with a notice that includes those matters set out in the Bill—for example, the reasons for offering the tenancy, the security of tenure of the new tenancy and a statement that the tenant is not obliged to accept the offer.

Clause 296 provides for a regulation-making power that would enable the Secretary of State to change, add to or remove the contents of the FIT notice. In the light of recommendations from the Delegated Powers and Regulatory Reform Committee and the importance of the contents of the FIT notice, the Government tabled Lords amendments Nos. 174, 175, 184 and 185, so that any amendment or repeal of the required contents of the notice would be by affirmative order.

I now turn to the issue of tolerated trespassers, which the House will recall occupied the House during all stages of the Bill's passage. On Report we amended the Bill to ensure that tolerated trespassers would not be created in future so that people would remain tenants until they left the property or were evicted. Part 2 of schedule 10 will restore tenancy status to existing tolerated trespassers by granting a new tenancy from the date that the provisions come into force on the same terms and conditions as the original tenancy. These provisions have been widely welcomed outside the House.

8.30 pm

In response to concerns raised in the other place, Lords amendment No. 250 was tabled to address the position of tolerated trespassers who have transferred to a new landlord. The amendment includes a power to provide by order that a new tenancy will arise wherever there has been a change in landlord since the former tenant became a tolerated trespasser. It also provides for the order to set out the details of how this would work. I would like to put the House on notice that it is the Government's intention that those should be kept as close as possible to the existing provisions for new tenancies, as in schedule 11.

This group also contains amendments to remedy the declaration of incompatibility in respect of section 185(4) of the Housing Act 1996. I am pleased to see in his place my hon. Friend the Member for Edmonton (Mr. Love), who tabled amendments relating to this issue in Committee. I gave a commitment in Committee that the Government would bring forward a remedy as soon as possible, and I would like to take this opportunity to say that we regret the length of time that it has taken to develop a remedy in this particular case. The amendments make changes to the homelessness legislation across the UK. This is a complex area of law, but in summary, the issue at stake is what help British citizens whose household includes members with different immigration status should get if they become homeless. The amendments will ensure that in future, households in those circumstances will be provided with suitable housing, while continuing to ensure that people from abroad with no claim to UK public resources cannot confer entitlement to long-term social housing.

The amendments amend the 1996 Act, the Immigration and Asylum Act 1999 and other provisions so that the current requirement that local housing authorities in England, Wales and Scotland, and the Northern Ireland Housing Executive, must disregard ineligible household members when considering whether an eligible housing applicant is homeless or has a priority need for accommodation will no longer apply to applicants who are British citizens, European economic area nationals or Commonwealth citizens with the right of abode in the UK. However, where an applicant who is a British citizen, an EEA national or a Commonwealth citizen with a right of abode in the UK is owed a main homelessness duty only because homelessness or priority need is conveyed to him by an ineligible member of his household who requires leave to stay and does not have it, or has leave but with a condition of no recourse to public funds—referred to in the amendments as a "restricted person"—the local authority will be required, so far as is practical, to discharge the homelessness duty by arranging an offer of other accommodation in the private rented sector.

Mr. Love: I welcome the fact that the Government have responded to this issue, which has been outstanding for some time, but let me press my hon. Friend on two matters relating to the amendments. First, the basis of the decision by the Court of Appeal on this matter was that immigration control had no legitimate bearing on a British citizen, and the question therefore continues to arise as to whether the amendments respond to that decision. Secondly, there is still a form of discrimination relating to people in those circumstances, because they will have recourse only to the private sector and not to the social sector. How does the Minister respond to those concerns?

Mr. Wright: I understand what my hon. Friend says, and he makes some good points. However, as I am sure he agrees, the amendments are trying to strike the right balance between remedying the incompatibility, maintaining a firm immigration policy and protecting the UK taxpayer. While I accept that British citizens and others with an absolute right to be here must be provided with some form of housing assistance if they become homeless through no fault of their own and are relying on a "restricted person" to convey homelessness or priority need, I do not consider that that assistance should convey priority or entitlement for long-term social housing. The important point that I would make to my hon. Friend is that these people will not be left homeless, as they could be under the current, incompatible, provisions. I hope that he accepts that.

Mr. Raynsford: Let me pose to my hon. Friend a problem that may arise as a result of the new arrangement, which I welcome as an improvement on the existing position, which was clearly incompatible. The restriction in such cases to private rented accommodation, where rent levels are generally significantly higher than in the social sector, may well create a problem whereby the lack of entitlement to public funds on the part of a member of the household means that it is not possible for the household to meet the cost of that private rented accommodation. I understand from his letter that the new arrangement will require the local authority

"to be satisfied that the accommodation is suitable and that it is reasonable for the applicant to accept the offer."

Is he confident that there will not be problems whereby the authority cannot be satisfied that the accommodation is suitable, because it cannot be afforded, so it is not reasonable for the applicant to accept the offer? I fear that in responding to one problem we may be creating the genesis of another one. I would be grateful for his thoughts on that, either tonight, or at a future stage if he would like to take further soundings on it.

Mr. Wright: I thank my right hon. Friend for those comments; he makes an important point. If he will allow me, I would like to reflect on what he said about the question of suitability. His point about cost is appropriate, and I will reflect on it. I take on board his point that by trying to resolve the incompatibility on one issue, we could be creating something else. I would like to consider that further.

Mr. Love: I thank my hon. Friend for his generosity. I want to follow up the comments of my right hon. Friend the Member for Greenwich and Woolwich (Mr. Raynsford). My point relates to the view of the Government on people who are here illegally, and those who do not have recourse to public funds. Although I understand that a balance can be struck for those who are here illegally, it seems somewhat perverse to include those who do not have recourse to public funds, especially since, in most instances, they will be children under 16. Following the comments made by others, will my hon. Friend give some more consideration to the matter, and perhaps, shall we say, review it?

Mr. Wright: Again, I appreciate what my hon. Friend is saying, and I respect his views on the matter. I reiterate the point that I made earlier: we need to strike the right balance between remedying the incompatibility, providing a fair immigration policy and protecting the UK taxpayer. The important point is that, as a result of the amendments and the attempt to remedy the incompatibility, the people in question will not be left homeless, as they would have been under the current, incompatible, provisions. I hope that my hon. Friend is reassured by that.

Grant Shapps: Following the interventions that the Under-Secretary has just taken, I wonder whether, in his current reflective state, he might think about what happens to someone from one of the A10 accession countries to the European Union who was here legally and does not have recourse to public funds. I am reminded of a visit to the Upper Room at St. Saviour's in Hammersmith last week. Its primary concern is a large group of people from the A10 countries who would have no recourse to public funds, and would presumably fall within the consideration that the Under-Secretary is now giving to the subject.

Mr. Wright: The hon. Gentleman raises an important point in connection with the A10 countries, and I will look into it.

To conclude, the amendments remedy the current incompatibility, and to repeat the point I made earlier, they will strike a fair balance between the rights of migrants who come to this country with no claim to public funds and the interests of UK taxpayers.

Bob Spink (Castle Point) (UKIP): Lords amendments Nos. 169 to 171 allow local authorities to hold a ballot as soon as a notice is served, but also call on them to have regard to guidance given by the appropriate person. Where a local authority has already had a ballot, and tenants have voted against a transfer, would the guidance from the appropriate person allow local authorities to hold ballot after ballot after ballot until they get the answer that they want, or would those authorities' ability to re-ballot be restricted?

Mr. Wright: I do not expect that the guidance will prevent a local authority that has had a ballot on stock transfer from having another one at some point. I think

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that it will say that a reasonable amount of time would have to elapse between a ballot and any subsequent ballot, to allow people to reflect and to consider. It would not be right for us to say that because one ballot had taken place, a local authority area could not have another one.

Let me conclude by briefly mentioning Lords amendments on the right to buy. They include several minor and technical amendments to the right-to-buy clauses, and are necessary to ensure that the provisions work effectively. They are important amendments, especially in terms of remedying the incompatibility that I mentioned earlier. I hope that my comments reassure hon. Members, and I commend the amendments to them.

Mr. Stewart Jackson: I congratulate the Under-Secretary on his epic, marathon handling of the Bill in the past few months. Unfortunately, I was unable to be with him in Committee—I obviously missed something—but he has handled the measure well. We have faced each other on many occasions in Westminster Hall in the past few months.

Earlier, family disputes were mentioned. Something of a family dispute occurred in the Labour party on Report. As the Under-Secretary knows, the hon. Member for Great Grimsby (Mr. Mitchell) and several other hon. Members, including Liberal Democrat Members, such as the hon. Member for Chesterfield (Paul Holmes), took issue over the governance of tenancy ballots. I personally believe that the Under-Secretary was right to point out in the letter that he sent to hon. Members last week that changes were unnecessary because there was no evidence, on Report or subsequently, that there is anything wrong with the current guidance on overseeing and governing tenancy ballots. The dispute, and the need to table an amendment on the subject, owes more to internal Labour party politics about housing policy than anything else. I recollect that on Report the right hon. Member for Greenwich and Woolwich (Mr. Raynsford) was on the receiving end of some robust interventions from other Labour Members on this matter, and on the housing revenue account, on that evening in March.

Lembit Öpik: As the hon. Gentleman says, the issue for my hon. Friend the Member for Chesterfield (Paul Holmes) and others is housing policy. Whatever structures we discuss, if policy is manipulated in a specific way, the Government can ensure a specific outcome—on this occasion, the dogmatic assumption that stock transfer is preferable to local authorities holding on to stock. That vexes my colleagues, and perhaps some Labour Members.

Mr. Jackson: I thank the hon. Gentleman for that helpful intervention. However, other hon. Members and I previously made the point that none of us had a vested interest in anything but clear, transparent and democratic debate and discussion before large groups of tenants make decisions. I speak largely from my experience, and I know that my predecessor as Member of Parliament for Peterborough supported the tenants' decisions. A proper debate, discussion and ballot took place, and I believe that the right decision was made to transfer the stock. We therefore have no objection to the Government's change of heart, other than to be slightly cynical about the reasons for it, especially as in the letter of 17 July the Under-Secretary dismisses the need for it, but states that he was required to take a closer look. There is, therefore, some confusion, and he may wish to comment on that. However, it is important to regularise the procedures for stock transfer ballots. That is the right way to give the process some support and integrity.

It is important to support the amendment that deals with family intervention tenancies, because it is about supporting local autonomy, among tenants, landlords and local housing authorities, in respect of support contracts. We certainly believe that on some occasions it is appropriate to go down that avenue, in order to reduce the scourge of antisocial behaviour and the massive impact that a small group of families can have on the quality of life in a local estate. Anything practical and appropriate to prevent that is to be supported.

8.45 pm

Again, however, having 717 amendments to the Bill since Second Reading does not make for particularly good scrutiny, as my hon. Friend the Member for Welwyn Hatfield (Grant Shapps) and the hon. Member for Montgomeryshire (Lembit Öpik) have pointed out. We could have had more time to debate the issue on Report, but we went off on something of a tangent, discussing the minutiae of the housing revenue account and its funding. It bears repetition that that is not a satisfactory situation.

On the third issue that the Minister mentioned, about eligibility for housing assistance, the point has been well made by both the right hon. Member for Greenwich and Woolwich and the hon. Member for Edmonton (Mr. Love) that the decision the Government have come to with the relevant amendment—their prognostication—has taken a significant amount of time.

We should remember that professionals in housing authorities at the local level regularly have to deal with such issues. In London boroughs in particular, as well as in areas such as mine in the east of England, including Boston, Breckland, King's Lynn and Peterborough, the problem is an everyday issue, and a resource-intensive one, too. Housing officers are being asked to make value judgments that have a significant effect on families who are vulnerable for various reasons. I have dealt with a significant number of families who are, frankly, at the end of their tether, not just because of housing but because of other areas of public provision, and who are looked after under the auspices of the Red Cross.

My plea to the Minister is to think carefully about how he proceeds, particularly given the pertinent point made by the right hon. Member for Greenwich and Woolwich that we might still be in some difficulty, notwithstanding the final paragraph of the Minister's letter, over the suitability and reasonableness of the accommodation offered in the private sector and the ability of the family or families to accept the offer. The proposal is a sticking plaster; it is not a panacea. We congratulate the Minister on trying to regularise the situation and clarify ~~the discrepancy~~ between the two pieces of legislation and the European convention on human rights, but that is not the end of the road, nor is it a definitive resolution of the issue.

On tolerated trespassers, I commend the Minister for having listened to key stakeholders in the housing sector, including Shelter. We certainly support the Government on that subject. In general, despite one caveat—a slightly partisan caveat, I admit—about tenancy ballots, we support the amendments in the group.

Lembit Öpik: May I, too, say that we feel some frustration that we cannot really consider the amendments in the group in detail, given the timetable? However, it would be churlish of us not to say that, with this group, the Government have, albeit under duress, taken on board the recommendations made in another place, which were also the subject of extensive conversation in Committee. The Minister has again demonstrated his genuine commitment to trying to make improvements, even when that means humbly taking on board recommendations that originated in opposition parties and organisations outside Parliament.

On this specific group of amendments, we support the improvement in tenants' rights during stock transfer. On the question of ballots, I have said before that anything can be achieved if one uses the financial incentives and disincentives that are abundantly obvious to anyone who looks at the Government's approach to stock transfer. To be blunt, it is obvious that this Government—for some dogmatic reason—think that transferring stock out of local authority control is something actively to be promoted. It hardly comes as a surprise, therefore, that colleagues in my party—and in the Minister's party—are unhappy about the fact that there is such a financial disincentive not to transfer stock. Having said that, there have been improvements in the process. While the structural improvements are welcome, we will have to return on another occasion to the policy obstacles that local authorities regularly meet when facing the unenviable dilemma between unwillingly encouraging the transfer of stock or accepting the economic hit of keeping it under local government control.

Family intervention tenancies are overdue, and will become even more important in the difficult economic times ahead. Tightening up the definition of behavioural support services is useful, but those services must be properly resourced, and simply putting them into a Bill will not be enough to ensure that the money is available to make them work.

Tolerated trespass was a subject that occupied a lot of our time in Committee, and it is good to see some improvements in regard to the restoration of certain rights. This should now work better, but we might have to return to the issue if, in practice, the application of the tolerated trespass legislation is not achieving its goals. People are very inventive, and if they find ways to achieve their goals that go against the spirit of the legislation, this might be a useful subject for a statutory instrument. Let us hope for the best, however.

We have inevitably discussed the impact of migration on housing. I still hold the view that immigration provides a net financial benefit to this country. We have almost full employment, and many jobs would not be done if those migrants were not here. There are of course consequences for housing. Notwithstanding this legislation, we still have something of a schizophrenic approach towards the economic benefits of allowing migration into this country, which I support, and the pressures on housing and other social services that unquestionably cause varying levels of strain in local communities. It is beyond our remit to discuss that matter today, but I hope that the Government are cognisant of the fact that the HCA on its own will not be able to resolve some of these issues, as they have profound social consequences that even an effective HCA with an excellent chief executive cannot resolve.

Lords amendments Nos. 169 to 171 relate to transfer proposals, in which I am particularly interested. We have already discussed them, and the eminently sensible improvements that have been made reflect the actions of a listening Minister, following an extensive dialogue in this House and another place.

Finally, I want to make a policy observation. The right-to-buy proposals that form a substantial part of this legislation—as well as existing legislation—do nothing to help to maintain a social housing stock. They obviously help individuals to move up the housing ladder, but that on its own is not enough to ensure that the 1.67 million people—

Grant Shapps: It is 1.7 million.

Lembit Öpik: I am grateful to the hon. Gentleman. The 1.7 million people in need of housing—

Grant Shapps: Families.

Lembit Öpik: The right to buy will not help the 1.7 million families in this country who are in need of social housing to get housed. Indeed, it seems to have had the opposite effect, not least due to the policy consequences of the money accrued by local authorities that have participated in many right-to-buy schemes. I do not expect the Minister to reply to this point tonight, as it is beyond the scope of these amendments. I want to put on record, however, that the right to buy, however attractive it might seem, leaves a hole that can be filled only by innovative partnership projects involving local authorities, or by a significant investment of money that is far in excess of anything that the Government have so far offered to achieve that goal.

Mr. Iain Wright: I will comment on some of the points raised by hon. Members. In general, I detect warm acceptance of the amendments. We listened to the concerns expressed in Committee and in the other place; we reflected on them; and we tabled the amendments in response.

I will rise to the bait on the point made by the hon. Member for Montgomeryshire (Lembit Öpik) about stock transfer and ballots. He knows that we have strengthened current arrangements and made ballots on transfer of stock mandatory; that part of the Bill has been warmly welcomed. He will remember, as will the hon. Member for Welwyn Hatfield (Grant Shapps) who is just leaving the Chamber, that my letter of 17 July dealt with evidence—*[Interruption.]* I apologise to the House; it was not the hon. Member for Welwyn Hatfield, but the hon. Member for Peterborough (Mr. Jackson). I reiterate what I said on Report—that the vast majority of cases of stock transfer are done fairly, clearly and transparently. In my former life as an auditor when I reviewed large-scale voluntary transfers, I noted that in a small minority of cases there was a question about the objectivity of the information provided to tenants. My hon. Friend the Member for Great Grimsby (Mr. Mitchell)

[Mr. Iain Wright]

pointed this out in Committee and I made the same point: I want the process to remain as clear, transparent and accountable as possible, with the information being objective in 100 per cent. of stock transfer ballots.

Lembit Öpik: Without engaging in a detailed policy debate on the issue, does the Minister accept that whatever the probity of the stock transfer ballot process, there continues to be an as yet unresolved debate between those who believe that the Government have made the finances biased in favour of encouraging stock transfer and those who believe, like him, either that that is a good thing or who deny such bias?

Mr. Wright: I disagree with the hon. Gentleman's point. I have to say that on Report and elsewhere, my right hon. Friend the Member for Greenwich and Woolwich (Mr. Raynsford) made some excellent points about registered social landlords. I have pointed out on several occasions—from the Dispatch Box and elsewhere—that local authorities have a role to play in their area's housing. They provide a strategic assessment of what housing is required in the locality. Where it is appropriate and provides value for money for the taxpayer, local authorities have a direct role in delivery. The Bill will help that to happen and will remove some of the disincentives acting on local authorities to provide housing. However, the hon. Gentleman will know what my right hon. Friend the Member for Greenwich and Woolwich can articulate far more eloquently than I can: registered social landlords can lever in private money that can make a real difference in providing decent homes and much-needed investment for social housing. That investment raises the standard of housing for tenants who are often the most vulnerable, which should be welcomed throughout the House. Since 1997, we have seen considerable—indeed, unprecedented—levels of investment in social housing, largely as a result of the ability of registered social landlords to lever in such investment. I would have hoped that the hon. Gentleman would welcome that.

Lembit Öpik *rose—*

Mr. Wright: I will give way in order to allow him to welcome it.

Lembit Öpik: I welcome the private investment for social housing achieved through the vehicle the Minister describes. However, I firmly believe that the primary reason why the Government are so obsessed with encouraging a shift in social housing from the public to the private sector is the fear that it otherwise shows up in the public sector borrowing requirement. That provides a technical reason to explain why local authorities are being pretty much forced into shifting social housing out into the private sector—however little they may actually want to do that in practice. Does the Minister accept that?

Mr. Wright: No, I disagree. All local authorities can choose models that are appropriate to their circumstances, whether it be stock transfer, retention of council housing stock or an arm's length management organisation. We have provided the flexibility to allow authorities to decide locally what is needed in the area. I have ministerial responsibility for ALMOs, which are a fantastic model. The hon. Gentleman will be aware of the tremendous work of ALMOs in Newcastle upon Tyne, for example. Various models are in place for various circumstances, and that is appropriate.

On remedying the incompatibility of homelessness legislation, I understand the comments of some Members, particularly my hon. Friend the Member for Edmonton (Mr. Love). Time and again, however, I return to the balance—there is one—between remedying that incompatibility, providing fairness but firmness in immigration policy, and ensuring value for money for the UK taxpayer. We have been discussing social housing—particularly council housing—which is a valuable asset for the country. We need a lot more of it, and we need to ensure that the remedy provides the appropriate balance between the competing and often conflicting concerns.

Mr. Stewart Jackson: Will the Minister liaise with his colleagues who are responsible for community cohesion, for instance, to ascertain the magnitude of the problem? One of the difficulties for the House and others in coming to a settled view on changing policy is that we simply do not know how much the problem is occurring, which parts of the country are affected, and the significance of its impact on resources.

Mr. Wright: The hon. Gentleman raises an important point. I have had questions and discussions with officials on the matter, and all the indicators show that the number of people affected by the current incompatibility is extremely small. I cannot quantify that, and I understand his concerns, but I shall liaise, as he suggests, with the Under-Secretary of State for Communities and Local Government, my hon. Friend the Member for Gloucester (Mr. Dhanda), who has responsibility for community cohesion, to ensure a coherent strategy. I detect warm acceptance of the amendments, and I hope that the House will approve them.

Lords amendment agreed to.

Lords amendments Nos. 170 to 205 agreed to [one with Special Entry].

Clause 318

ORDERS AND REGULATIONS

Lords amendment: No. 206

Mr. Wright: I beg to move, That this House agrees with the Lords in the said amendment.

Mr. Deputy Speaker: With this it will be convenient to consider Lords amendments Nos. 210, 213 to 219 and 222.

Mr. Wright: We come to the final group, which is made up of technical and minor amendments. I want to draw the House's attention to several of them, not least because the hon. Member for Welwyn Hatfield (Grant Shapps) always smiles when I mention the phrase "minor and technical".

Lords amendments Nos. 206, 210, 213 and 214 give effect to a recommendation made by the Delegated Powers and Regulatory Reform Committee in its report on the Housing and Regeneration Bill. The recommendation relates to the power provided by clause 319 to make consequential amendments. Our original intention was that all orders made using the power should be subject to the affirmative procedure. However, the Committee's view was that that procedure was necessary only when an Act was being amended. We agreed with the Committee's conclusion and the amendments will implement it.

Lords amendments Nos. 216 and 219 make it clear that orders made under part 4 of the Bill can extend to the whole of the United Kingdom. By amending the Bill in that way, the necessary consequential or transitional provisions can be drafted to achieve their intended effect.

Lords amendments Nos. 217 and 218 relate to the territorial extent of the Bill. Generally, as the House will be aware, the Bill extends to England and Wales. However, some of the consequential amendments made under the Bill will amend legislation that also extends to Scotland. The amendments will ensure that these consequential amendments apply only in England and Wales. I hope that the House will be content with the amendments. Although they are minor, they are crucial to ensuring that the Bill works in practice.

All that is left for me to do now is wish my daughter Hattie a very happy sixth birthday. [HON. MEMBERS: "Hear, hear."] I am grateful to the House for that reaction.

Lembit Öpik: Following the precedent set by the Minister, I should point out that he has now presented the House with more than 1,000 amendments in a breathtakingly short time. While I am dissatisfied with the lack of time allowed for us to debate them properly, I commend him on taking on board more recommendations from Members in all parts of the House than may have been the case in the past. As a result, he has not only exalted himself in the eyes of those of us who are ruthlessly committed to the best legislation, but caused us violently to agree with his points of view from time to time. It has been one of those occasions.

In conclusion, let me wish my godfather Kalju Niit a happy birthday as well—and thank you for your patience, Mr. Deputy Speaker.

Lords amendment agreed to.

Lords amendments 207 to 311 agreed to [Some with Special Entry].

EUROPEAN DOCUMENTS

Motion made, and Question put forthwith, pursuant to Standing Order No. 119(9)(European Committees),

EMISSIONS FROM HEAVY DUTY VEHICLES

That this House takes note of European Union Document No. 5127/08 and Addenda 1 and 2, draft Regulation on type-approval of motor vehicles and engines with respect to emissions from heavy duty vehicles (Euro VI) and on access to vehicle repair and maintenance information; endorses the Government's support for a package of measures to reduce vehicle emissions substantially, leading to improvements to health and the environment, whilst allowing appropriate flexibility for industry in the short-term; and notes that the Government will continue to seek the right balance between environmental and other benefits, and burdens on industry.—*[Tony Cunningham.]*

Question agreed to.

PETITIONS

Post Office Closures (Bedfordshire)

9.6 pm

Andrew Selous (South-West Bedfordshire) (Con): I have the pleasure of presenting five petitions on behalf of my constituents, all of which relate to post offices in my constituency that are scheduled for closure. I pay particular tribute to those of my constituents who have gone about collecting large numbers of signatures in a very short period, thus enabling me to present the petitions before the summer recess.

The first petition concerns Linslade post office, and reads as follows:

> The Petition of customers of Linslade Post Office,
>
> Declares that they strongly protest against the closure of their local Post Office.
>
> The Petitioners therefore request that the House of Commons urges the Secretary of State for Business, Enterprise and Regulatory Reform to keep Linslade Post Office open for the benefit of the local community, and especially the elderly and disabled, and all those who would find it particularly difficult to travel to other Post Offices.
>
> And the Petitioners remain, etc.
>
> [P000241]

9.7 pm

Andrew Selous: The second petition relates to Hockliffe street post office in Leighton Buzzard, and reads as follows:

> The Petition of customers of Hockliffe Street, Leighton Buzzard Post Office,
>
> Declares that they strongly protest against the closure of their local Post Office.
>
> The Petitioners therefore request that the House of Commons urges the Secretary of State for Business, Enterprise and Regulatory Reform to keep Hockliffe Street, Leighton Buzzard Post Office open for the benefit of the local community, and especially the elderly and disabled, and all those who would find it particularly difficult to travel to other Post Offices.
>
> And the Petitioners remain, etc.
>
> [P000238]

9.8 pm

Andrew Selous: The third petition is from the residents of the village of Eaton Bray in my constituency, some 40 of whom I met on Friday morning to discuss the issue. The petition reads as follows:

> The Petition of customers of Eaton Bray Post Office,
>
> Declares that they strongly protest against the closure of their local Post Office.
>
> The Petitioners therefore request that the House of Commons urges the Secretary of State for Business, Enterprise and Regulatory Reform to keep Eaton Bray Post Office open for the benefit of the local community, and especially the elderly and disabled, and all those who would find it particularly difficult to travel to other Post Offices.
>
> And the Petitioners remain, etc.
>
> [P000242]

9.9 pm

Andrew Selous (South-West Bedfordshire) (Con): This petition is on behalf of the customers of the post office in High street south in Dunstable, otherwise known as "Hayhoe's" in honour of its postmistress.

[Andrew Selous]

The petition states:

The Petition of customers of High Street South, Dunstable Post Office,

Declares that they strongly protest against the closure of their local Post Office.

The Petitioners therefore request that the House of Commons urges the Secretary of State for Business, Enterprise and Regulatory Reform to keep High Street South, Dunstable Post Office open for the benefit of the local community, and especially the elderly and disabled, and all those who would find it particularly difficult to travel to other Post Offices.

And the Petitioners remain, etc.

[P000239]

9.10 pm

Andrew Selous (South-West Bedfordshire) (Con): The next petition is on behalf of the customers of the Luton road, Dunstable post office.

The petition states:

The Petition of customers of Luton Road, Dunstable Post Office,

Declares that they strongly protest against the closure of their local Post Office.

The Petitioners therefore request that the House of Commons urges the Secretary of State for Business, Enterprise and Regulatory Reform to keep Luton Road, Dunstable Post Office open for the benefit of the local community, and especially the elderly and disabled, and all those who would find it particularly difficult to travel to other Post Offices.

And the Petitioners remain, etc.

[P000240]

Post Office Closures (Halifax)

9.11 pm

Mrs. Linda Riordan (Halifax) (Lab/Co-op): I am pleased to present a petition on behalf of the thousands of my constituents who are against the closure of the Holmfield post office in Halifax.

The petition states:

The Petition of those opposed to the decision to close Holmfield Post Office,

Declares that they do not believe that the Post Office has given consideration to the range of customers using this branch and the impact of its closure on the community; a large proportion of customers will find it difficult to travel to the suggested alternatives. Further declares that the Holmfield community is also growing rapidly with a high number of new businesses moving into the areas and current businesses expanding. This they are sure will guarantee the viability of this branch for many years to come.

The Petitioners therefore request that the House of Commons urges the Secretary of State for Business, Enterprise and Regulatory reform to instruct Post Office Ltd to keep Holmfield Post Office open

And the Petitioners remain, etc.

[P000246]

Parking (Halifax)

9.12 pm

Mrs. Linda Riordan (Halifax) (Lab/Co-op): I present a petition on behalf of hundreds of my constituents, headed by Philip Crossley and Kevin Benson, regarding adequate parking in the town centre.

The petition states:

The Petition of supporters of increased parking facilities for shoppers in Halifax town centre,

Declares that more parking facilities are needed for shoppers in Halifax town centre.

The Petitioners therefore request that the House of Commons urges the Government to call on Calderdale Council to ensure that provision is made for extra parking in Halifax town centre for shoppers and to guarantee that, should the car park on Broad street be developed on, a parking and shuttle bus service be provided for the Eureka site

And the Petitioners remain, etc.

[P000247]

Post Office Closures (Staffordshire)

9.13 pm

Paul Farrelly (Newcastle-under-Lyme) (Lab): I wish to present a petition from 1,400 residents of May Bank in my constituency about the closure of their post office. The petition has been collected by a Conservative councillor, Stephen Holland; there is cross-party co-operation on this matter. We are insisting that the Post Office and Postwatch look again at the decision to close the post office.

The petition reads:

The Humble Petition of customers of May Bank High Street Post Office,

Sheweth

That the Petitioners believe that the branch provides a vital service to the local community.

Wherefore your Petitioners pray that your Honourable House urges the Secretary of State for Business, Enterprise and Regulatory Reform to instruct Post Office Ltd to ensure that the May Bank High Street Post Office is retained.

And your Petitioners, as in duty bound, will ever pray, &c.

[P000256]

Post Office Closures (Essex)

9.15 pm

Mr. David Amess (Southend, West) (Con): Like other hon. Members, I am presenting a petition against the closure of a post office. I have the honour of presenting one that has been signed by more than 1,000 residents of Southend, West. It has been organised by the Chalkwell residents association and the Westborough residents association. Given that the constituency has the greatest concentration of senior citizens in the country, if this post office were to close, it would be devastating for the local community.

The petition states:

To the Honourable the Commons of the United Kingdom of Great Britain and Northern Ireland in Parliament Assembled.

The Humble Petition of the customers of 553 London Road Post Office, Westcliff-on-Sea, SS0 9LJ and others, Sheweth that said Post Office is widely used by the residents of Southend West and is a vital resource for our community of inestimable value to its elderly and most vulnerable constituents.

Wherefore your Petitioners pray that your Honourable House do request that the Secretary of State for Business, Enterprise and Regulatory Reform instruct the Chief Executive of the Royal Mail Group to keep 553 London Road Post Office open.

And your Petitioners, as in duty bound, will ever pray, &c.

[P000255]

HMRC Workforce Change (Cornwall)

9.16 pm

Andrew George (St. Ives) (LD): I rise to present two petitions, the first of which concerns a matter that shocked the local community in west Cornwall. The community opposes the proposed closure of Penlowarth, the Penzance tax office, as it thinks the closure would be barmy, would lose more money than it would gain, would result in the loss of some of the most experienced, capable employees and would contradict the Government's claims that they are supporting the economic regeneration of the UK's poorest region.

The petition states:

The Petition of those concerned about the closure of local HMRC offices in Cornwall.

Declares that they are concerned about cuts to public services, particularly the proposed closure of the HMRC offices.

The Petitioners therefore request that the House of Commons urges HM Treasury to reconsider the decision to close local HMRC office in Cornwall, which provides an excellent service to local people.

And the Petitioners remain, etc.

[P000251]

Ankylosing Spondylitis

9.17 pm

Andrew George (St. Ives) (LD): I present my second petition on behalf of those who suffer from a relatively rare condition known as ankylosing spondylitis, which is an inflammatory arthritis that causes severe pain in joints, iritis, severe fatigue, inflammation of the digestive system, psoriasis of the skin and other debilitating conditions. A new remedy, called anti-tumour necrosis factor—anti-TNF—has recently become available, but the petitioners are concerned that it is not fully available across the country. I should declare an interest, in that I suffer from this condition.

The petition states:

The Petition of those concerned about the provision of anti-TNF medicines for patients with ankylosing spondylitis.

Declares that some Primary Care Trusts are not providing anti-TNF medicines for patients with ankylosing spondylitis.

The Petitioners therefore request that the House of Commons urges the Secretary of State for Health to investigate why some Primary Care Trusts are not providing anti-TNF medicines for patients with ankylosing spondylitis.

And the Petitioners remain, etc.

[P000252]

Post Office Closures (Manchester)

9.19 pm

Mr. John Leech (Manchester, Withington) (LD): On the final day of the consultation on post office closures in Greater Manchester, I should like to submit a petition signed by more than 1,500 people against the closure of two post offices in my constituency in Ladybarn and East Didsbury. Local people are dismayed by the Labour Government's plans to close 2,500 post offices, particularly those in their local communities, which will damage the viability of local shops and disproportionately impact on the elderly and disabled.

The petition of those concerned about the proposed closure of post offices in south Manchester:

Declares that they support the campaigns to save Post Offices in South Manchester, in particular Parrs Wood and Ladybarn Post Offices.

The Petitioners therefore request that the House of Commons urges the Secretary of State for Business Enterprise and Regulatory Reform to instruct Post Office Ltd. to ensure that Post Offices in South Manchester, in particular Parrs Wood and Ladybarn Post Offices remain open

And the Petitioners remain, etc.

[P000253]

Sentencing (Dangerous Driving)

9.20 pm

Chris Ruane (Vale of Clwyd) (Lab): My constituents, Mr. and Mrs. Coulton, asked me to present a 7,000-signature petition on Friday 11 July. I called upon them at their home at Dyserth, and it was one of the saddest occasions in my 11 years as a Member of Parliament. The Coultons have lost their only child, Amanda Coulton, at the tender age of 20 years.

The petition states:

Amanda Coulton was killed by Daniel Storey. He was charged with causing death by dangerous driving with excess alcohol and under the influence of cocaine, driving with no licence and no insurance. The car he was driving did not belong to him. Mr Storey was sentenced to 8 years in prison after pleading guilty. The petitioners believe that he should have received the maximum sentence of 14 years for these crimes.

This case, and all cases of death by dangerous driving involving illegal levels of alcohol or drugs should automatically be considered for a maximum jail sentence. I hope that the Ministry of Justice and this House will listen to the petitioners.

Following is the full text of the petition:

[The Petition of those concerned about the length of sentences given to people convicted of dangerous driving.

Declares that Amanda Coulton was killed by Daniel Storey. He was charged with causing death by dangerous driving with excess alcohol and under the influence of cocaine, driving with no licence and no insurance. The car he was driving did not belong to him. Mr Storey was sentenced to 8 years in prison after pleading guilty. The petitioners believe that he should have received the maximum sentence of 14 years for these crimes.

The Petitioners therefore request that the House of Commons urges the Home Secretary to review the sentence given in the case of Daniel Storey, and to review sentencing policy in respect of dangerous driving.

And the Petitioners remain, etc.]

[P000254]

Brass Bands

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Alan Campbell.]*

9.21 pm

Jeff Ennis (Barnsley, East and Mexborough) (Lab): I am delighted to have initiated this debate on support for brass bands and I am conscious of the fact that we have rather longer than usual, so I will be happy to take interventions.

The stimulus for tonight's debate goes back to 12 November 2007 when the then Secretary of State for Culture, Media and Sport replied to a question that I had tabled asking how much funding the Arts Council England had provided to opera, ballet and brass bands over the last five years. The Minister wrote to me stating that in the last five years opera had had £155,914,000, ballet had had some £70,302,000, and brass bands had had £140,000.

Using my primitive maths, I have estimated that for every £1 brass bands have had in the last five years from the Arts Council, opera has had over £1,100 and ballet has had more than £500. In addition, last year, the Arts Council for England gave brass bands just six grants totalling just over £20,000. That is out of a total budget of approximately a third of £1 billion a year.

David Taylor (North-West Leicestershire) (Lab/Co-op): Like my hon. Friend I represent a former mining area and brass bands are a major part of our culture. No one would suggest that opera and ballet should not receive funding—I love both of them—but would he say that the numbers of people who enjoy brass bands, or are involved with them, would be a thousandth of those who enjoy opera and ballet? I cannot believe that for a moment.

Jeff Ennis: My hon. Friend makes an extremely valid point, on which I shall be building throughout my contribution tonight.

It is important at this point that I give the House some background information on the state of brass bands in the UK and the financial plight that they suffer. Very briefly, there are roughly 600 brass bands across the whole UK with approximately 20,000 players. It costs a brass band approximately £60,000 to provide a full set of instruments. Many community brass bands draw their players, from the ages of eight to 88, from the local community. Most brass bands rehearse at least twice a week and the average fee that a brass band receives for a performance is about £150 to £200. Transport costs can vary between £175 and £750 per performance and many brass bands survive only by charging their players a weekly subscription fee of approximately £5 a week.

Of course, brass bands incur expenses in performing. For example, instruments have a realistic life expectancy of about 15 to 20 years when played in a reasonable-quality band. In top-class bands, that would probably be reduced to five to 10 years. I have already mentioned the cost of £60,000, and band uniforms, which last about 10 years, cost between £7,500 and £10,000 per set. Sheet music costs an average of between £25 and £80 per piece and insurance costs for each brass band run at approximately £1,200 a year. There are other costs, such as rehearsal and storage facilities, and tuition fees.

Chris Ruane (Vale of Clwyd) (Lab): I know that my hon. Friend is not one to blow his own trumpet, but I think that he should be congratulated on securing the debate. Does he agree that not only northern brass bands in mining communities, so beautifully portrayed in the moving film, "Brassed Off", are involved but seaside towns are, too? I commend the Rhyl silver band, from my hometown of Rhyl, and the Rhyl brass band festival. The bias is not just in funding from the Department for Culture, Media and Sport but in airtime on the BBC, which is a publicly funded broadcasting company. There is time for rock and for jazz—there is lots and lots of time for classical—but minimal time for brass bands. Does he agree?

Jeff Ennis: My hon. Friend is absolutely right. Indeed, I wrote on that theme to the director-general of the BBC, Mark Thompson, in about February or March, to say that in previous generations brass bands got a lot more airplay on the radio and on television and that the point needed to be addressed. I was very disappointed with the response that I received. I do not have time to go into the details of that response, but I am sure that that will be of interest to the Minister.

David Taylor: My hon. Friend might agree that when brass bands approach funding organisations, they far too often receive a response that is at best sniffy, and at worst patronising. Those responses come from the echelon of society that tends to be over-represented in assessing applications for grants which would help this form of music that means so much to so many communities, as the film "Brassed Off" illustrated so wonderfully all those years ago.

Jeff Ennis: My hon. Friend is absolutely right. Following on from the point made by my hon. Friend the Member for Vale of Clwyd (Chris Ruane) about seaside towns, the Minister will recall the meeting that we had with representatives from the brass bands. I took with me the musical director for Ascot Brass, Bryan Catcheside. Ascot is one of the most salubrious areas in the country and Ascot Brass is struggling to keep its head above water. The only way it can stay afloat is because it gets the use of the church hall, given free of charge by a local minister, to practise in. That is the level of disadvantage that brass bands face.

Michael Jabez Foster (Hastings and Rye) (Lab): Does my hon. Friend agree that that applies not only to company brass bands but even to Salvation Army bands, which are so integral to the brass band movement? A point was made earlier about seaside towns, and my seaside town, Hastings, has Sussex Brass, which finds it extremely difficult. Most importantly, when the band plays the deckchairs are full, so there is enormous public support for the brass band movement—support that, I dare say, would not extend to opera on the beach.

Jeff Ennis: My hon. Friend makes a valid point. I was born in Grimethorpe, so my local brass band is the Grimethorpe Colliery band—probably the best band in the world. The band featured in the film "Brassed Off", which was also my by-election theme in 1996—"Brassed off with the Tories"—when we got rid of the Major majority, but I do not want to make this a political issue.

This weekend, the Grimethorpe Colliery band has been at the Kent brass festival, playing at Deal one night and at Dunstable on another. Recently, the band applied to the Arts Council for travelling expenses for those concerts, but the application was refused on the basis that it had not been made in time. That just underlines the situation—the very best brass band in the world cannot get funding to travel to Kent to entertain the people of Kent with music that is loved in the Kent coalfields.

Michael Jabez Foster: I appreciate the fact that my hon. Friend does not want to make it a political issue, but is it not the case that not a single Tory, not a single Lib Dem nor a single Member of any other party has bothered to take part in this important debate?

Jeff Ennis: My hon. Friend makes a good point. He is of course aware that recently I set up the all-party brass band group, which has all-party representation. To be fair to the hon. Member for Somerton and Frome (Mr. Heath), who is not in the Chamber, he was extremely supportive in setting up the all-party group, and indeed is a vice-chair. Some good brass bands from the tin industry are based in Cornwall and Devon.

Since I tabled my question in November, I have had a number of positive and fruitful meetings. The first was with my right hon. Friend the Minister in February when I took a delegation of brass band representatives to meet her, as I mentioned earlier. The brass band sector was extremely impressed with her response. She was as accommodating and positive as she could be and she made some useful suggestions.

In March, I held a meeting with the chief exec and finance director of Yorkshire Forward at the Minister's instigation. In May I had meetings with the chair and chief exec of the Arts Council England. Recently, I had a meeting with the new chief exec of the Big Lottery Fund, Peter Wanless. All the people I have met have been supportive and sympathetic to the plight of brass bands. They all made interesting and positive suggestions about how we could improve the lot of brass bands. I am thinking particularly of community brass bands—the ones at grass-roots level that are the vast majority of our 600 or 700 brass bands. Their players are aged from eight to 88 and they perform at local galas and concert halls, local church events and so on. They are intrinsic to the culture of their area.

Many of the suggestions were signposted to the British Federation of Brass Bands, which coincidentally is based in Barnsley. The BFBB is a worthy organisation that is doing its best to represent bands, and I am pleased to say that it is responding positively to the suggestions that have been made. A letter I sent recently to the chief exec of the Arts Council England, to try to get better representation for community brass bands and more financial awards, included the following points from the BFBB. The first was that the

"BFBB will endeavour to find ways to heighten awareness of the Arts Council of England Grants for the Arts Programme and has already had a meeting with Arts Council England Yorkshire, where some initial agreement has been made to develop strategies to address this objective".

In the past, one of the main problems with Arts Council funding was the form that bands applying for an award had to fill in. They had to fill in a 96-page application form for a grant of £250. I am pleased to say that recently—in May, I think—the Arts Council revised its application form to make it simpler; that is a step in the right direction.

Secondly, the BFBB said:

"BFBB will forge links with Youth Music, a subsidiary organisation of ACE"—

that is the Arts Council England—

"at a National and Regional level and this is also being discussed with ACE Yorkshire.

BFBB has also made initial contact with Making Music and plans to establish a relationship at a national level. BFBB has a seat on the Voluntary Arts Network…LINK committee together with Mr. Robin Osterley, CEO, Making Music.

BFBB has already been involved in promoting the ACE 'Take it Away' scheme and will continue to do so. On this one I have to say that because of the high cost of some brass band instruments, in the region of £8 to £10,000"—

that is for the big brass-band instruments—

"it is still very difficult for musicians even to take out a loan, even if it is interest free."

Chris Ruane: Does my hon. Friend think that a large grant of, say, £100,000 should be provided to the BFBB, so that it can distribute minor grants to brass bands across the country?

Jeff Ennis: My hon. Friend has either read my speech or is reading my mind, because that is a point that I shall focus on shortly. The BFBB responded positively to all the suggestions made by the Minister, the chief exec of the Arts Council, the chief exec of the national lottery and others. The problem is that the BFBB needs much more support. I intend to have a meeting with the BFBB and Andy Carver, the chief exec of the Arts Council England, Yorkshire region, to discuss the matter further. Currently, the BFBB is basically a one-man band. It has a part-time development officer, and the rest of the organisation consists of volunteers. If we are asking the BFBB to do all the connection and liaison work between all the funding streams and the brass bands, it is incumbent on the Arts Council England to help to fund the BFBB adequately.

David Taylor: My hon. Friend mentioned the Grimethorpe Colliery band. The world champion Desford Colliery brass band is now based in my constituency. Does he agree that the BFBB might play a significant role in an area where there is stress and shortage, namely conductor training? The fine musicians of the future will be shaped and led by new conductors, who need to come into brass banding if we are to ensure that its future is as rich as its past.

Jeff Ennis: My hon. Friend makes a valid point, and I would extend what he says to music tuition. Also, many leading brass band players do not stay with brass bands; they eventually go to philharmonic orchestras and become some of their leading musicians. We need to build on the links between brass bands and philharmonic orchestras, given that conductors who start off in brass bands progress to philharmonic orchestras.

Chris Ruane: Does my hon. Friend agree that brass bands provide a way for working-class people in working-class communities to make it, not just through the brass band movement but—

David Taylor: Social cohesion.

Chris Ruane: Yes, my hon. Friend makes a valid point: brass bands provide social cohesion, but they are also a stepping stone enabling working-class people to make it right to the top.

Jeff Ennis: Once again, I think my hon. Friend has been reading my speech. He is majoring on a point that I shall come to shortly.

I have been pointing the finger at the lack of funding coming from the Arts Council England. The difference between the amounts of money that brass bands draw down from the national lottery and from the Arts Council is a valid cause for concern. At our recent meeting with Peter Wanless, the new chief exec of the Big Lottery Fund, he told us that brass bands' applications for funding from the Big Lottery Fund are met with a success rate of about 50 per cent., which is a fairly good level of achievement.

Last year, brass bands received just short of £110,000 from the national lottery, and this year, until the end of June, they have been granted almost £54,000. In addition to that, the national youth brass band of Great Britain has received £573,000 of lottery funding over the past five years through YouthMusic, and that figure increases year on year. The two main sources of funding from the national lottery are Awards for All, which most brass bands tap into, and the bigger pot of Reaching Communities, which Easington colliery brass band recently tapped into to the tune of about £100,000. The Arts Council needs to learn lessons from the funding that brass bands are drawing down from the Big Lottery Fund. It needs to make its process for putting in applications much simpler, like that of the national lottery.

Youth brass band music is thriving throughout the United Kingdom. I recently had the opportunity to speak and present some of the prizes at the national youth brass band competition, which is held annually at the university of Manchester and took place in April this year. I was privileged to see more than 2,000 youngsters, mostly secondary school kids, playing brass band instruments to an extremely high standard to packed concert halls. Everybody had a fantastic time.

Mr. David Drew (Stroud) (Lab/Co-op): I am sure that my hon. Friend knows that Smithills sixth-form brass band has an extraordinary reputation; I have had the opportunity to see them twice myself. They very much represent the way many players are now coming through. That shows what one school can do, let alone the wider youth movement.

Jeff Ennis: My hon. Friend makes an extremely good point. I have had the privilege of listening to the excellent West Lothian schools brass band from Scotland.

That brings me to an interesting comparison between Scotland and England. Last year, the Scottish Arts Council gave £55,000 towards Scotland's youth brass band championships. Given that England is roughly 10 times the size of Scotland, one would think that the Arts Council England would give the national youth brass band championships in England a grant of about £500,000, but last year it gave the paltry sum of £25,000—less than half what the Scottish Arts Council gave for its youth brass band championships.

Chris Ruane: I thank my hon. Friend for giving way yet again. Can I pick his brains and ask whether he has any comparable figures for Wales?

Jeff Ennis: I am afraid not, but I can tell my hon. Friend that the Cory band in south Wales are the European champions because they recently beat the Grimethorpe Colliery band to win the European championships in Stavanger. I congratulate Cory. Grimethorpe won the national brass band championships again this year at the Royal Albert hall and will therefore represent England in next year's European finals. There are some excellent brass bands not only in south Wales but in north Wales, with the silver brass band in Rhyl.

I am concerned about the need for greater co-operation between Government Departments across all disciplines, but particularly music. I know that that is happening. I congratulate the Minister on the co-operation that is taking place between her Department and the Department for Children, Schools and Families. In Barnsley, for example, we are benefiting to the tune of just over £1 million in funding from the Department for Children, Schools and Families, through an initiative it has for teaching music that allows children to learn a musical instrument at key stage 2.

The Government will invest hundreds of millions of pounds in music education over the next three years. The target area is key stage 2—the top juniors in year 6. The aim is that every child at key stage 2 should learn a musical instrument or receive specialist musical tuition for one year free of charge. That will be done by teaching the playing of instruments to all key stage 2 classes as part of the wider opportunities project. In Barnsley last year, 50 per cent. of all junior schools benefited from the project, and by 2009 every primary and junior school in Barnsley will benefit from it. By 2009, every year 6 child in Barnsley will have a year to a learn to play a musical instrument.

David Taylor: My hon. Friend has centred the debate on the contribution that can be made by the Arts Council, the lottery funds and so on, but will he pay tribute to the way many private firms have picked up on providing the sponsorship that was once routinely provided by the National Coal Board? I have in mind organisations in my constituency such as Ibstock Brick, and the Ibstock Brick Brass, and Leicestershire Co-op, with the Leicestershire Co-op band. They are doing a great deal to bridge the gap, but it is still widening, not least because the young people getting involved need uniforms and instruments that present funding sources are unable to supply.

Jeff Ennis: My hon. Friend makes an excellent point. I have focused on community brass bands, but in the second half of my speech I want to focus on the elite brass bands, and the very issue that my hon. Friend has highlighted. The fact is that we do not have the staple industries any more. The coal industry supported Grimethorpe Colliery band and the textile industry supported the Black Dyke Mills band. Those industries have collapsed and the elite brass bands need corporate sponsorship from the private sector rather than the public sector.

To finish the point about co-operation between the Department for Culture, Media and Sport and the Department for Children, Schools and Families, I should add that excellent work will be going on in Barnsley schools over the next couple of years, but when pupils leave school, they will need a strong infrastructure of community music making. Brass bands offer a unique opportunity to provide that, and it should be invested in so that they are ready for the influx of players and a public who show a revitalised interest in amateur music making. That is very much an example of best practice, which I hope the Minister will focus on in her closing remarks.

I now come to the point made by my hon. Friend the Member for North-West Leicestershire (David Taylor): we need to make progress on the situation of the elite brass bands. I would like to focus on bands such as the Grimethorpe Colliery band, the Black Dyke Mills band and the Cory band. There are between 10 and a dozen top elite bands in the United Kingdom. They are not just some of the best brass bands in the world; they are the best brass bands in the world, and long may that continue. The main problem is the way in which the Arts Council England funds its regularly funded organisations—the RFOs. The Arts Council has just short of 900 RFOs, such as English National Opera, the Northern Ballet, the Royal Shakespeare Company and the Royal Philharmonic Orchestra. We can all think of examples of the so-called elite RFOs. There are nearly 900 of them, and they are guaranteed, over the next three years, more than half the funding provided in the total Arts Council England budget. Just over half a billion pounds is going to those organisations in the next three years—but there is not one elite brass band among those 900 organisations. The Arts Council has appointed 80 new RFOs and not one is a brass band. That is a major concern for me.

My point about the elite brass bands is probably best articulated through a couple of examples that have been brought to my attention. When I first mentioned brass band funding in the autumn, I received an e-mail from John Myles, the chairman of the YBS band. It used to be called the Yorkshire Building Society band when it was sponsored by that organisation. The building society no longer sponsors it, so it goes under the name "YBS band". It is one of the elite bands. The e-mail says:

> "Dear Mr. Ennis,
>
> I write as Chairman of YBS Brass Band to congratulate you in bringing to the public notice the disparity in funding between certain aspects of the Arts and in particular the plight of Brass Bands in general. I saw your contribution to the Politics Show on my return from Italy where YBS Band performed by invitation at the Murano Music Festival.
>
> Since YBS lost its major sponsor some four years ago the band has not been able to secure any other funding. While funds are low our accounts are fortunately in the black but it is a hand-to-mouth existence with a reliance on concert revenue paying for competition entry, transport and accommodation. The objective is at least two fee earning engagements a month which off sets some competition expenditure—the next one being the National Brass Band Championships at the Royal Albert Hall on 20th October."—

which Grimethorpe won. The e-mail continues:

> "With you raising the profile now may be a good time for me to reapply to the Arts Council England to determine if any funding may be available but before doing so I thought I would seek advice from you in the first instance. My attempt last year to secure funding from ACE following a meeting at their regional office in Dewsbury was unsuccessful so any information, contact name or advice which you can offer me would be appreciated."

I received the follow-up e-mail about six weeks later:

> "Hello Jeff,
>
> I had a meeting last week with Andrew Herbert at ACE in Dewsbury. Quite helpful but I think it's a case of us making an application for funding for something specific rather than there being a 'pot' for Brass Bands. However, when you learn that Opera North get £9 million+, Northern Ballet get £8 million+ and Jazz Yorkshire get £500k+ you'd think there would be room for manoeuvre."

That is the position in which the elite brass bands find themselves.

I have been more personally involved in the second example, which is of securing funding for my brass band—Grimethorpe Colliery band. We are all aware of the history of the elite brass bands, which were founded in the staple industries of the areas. It was a way for the textile owners or the pit owners to show respect for their communities. In those days, the local mine owner provided everything—for example, the football and playing facilities. In Grimethorpe we also have an excellent first aid team; last year the Grimethorpe colliery first aid team reached the world championships in Australia. Everything surrounded the pit. It was exactly the same in the textile villages, such as where the Black Dyke Mills band is from. It showed the culture of the place and the respect that people had for their communities.

In the old days, the players from the Grimethorpe Colliery band worked down the pit. I say that they worked down the pit: they were on the colliery books, but they probably did about two or three shifts a year. The rest of the time, they were crafting their expertise in music, and they were fantastic musicians.

Times have changed, and only one member of Grimethorpe Colliery band still lives in Grimethorpe. Musicians come from all over the country for the privilege of playing in Grimethorpe Colliery band. One bandsman travels twice a week, every week, from Essex to rehearse in Grimethorpe because he feels proud and privileged to play for a such a band.

After the pits closed, we originally got sponsorship from UK Coal, of about £150,000 a year, but that then dried up. We now get funding from Powerfuel, which is a small coal-operating company owned by Richard Budge.

A few years ago, however, Grimethorpe went through a funding crisis, so I had to write to all the big companies and building societies in Yorkshire, including the Yorkshire building society, Halifax, the Barnsley building society, Asda, Morrisons and so on, to see whether I could get some money. I managed to get £15,000 from HBOS—Halifax Bank of Scotland—and £5,000 from Asda. They were the only two big Yorkshire companies that responded.

I pay tribute to the corporate social responsibility that those national and international organisations have shown to my community, but I should not have to be sending begging letters to big companies in Yorkshire for the best brass band in the world. The Arts Council has one third of a billion pounds a year to give out to musical companies and what have you, but Grimethorpe has not been able to tap into a penny of it. Grimethorpe got a small grant from the national lottery about 10 years ago, and I have already mentioned this year's experience, when the band applied to the Arts Council for expenses to travel to the Kent brass band festival, but was told that it was too late.

[Jeff Ennis]

I have been criticised in the past for making comparisons and trying to make this a class issue—that is, of working class against middle class, which it is not—or the high arts against brass bands and all that. I have been criticised for comparing brass bands to orchestras and the ballet, so let me put that to one side. I think that brass bands can be compared to orchestras, so recently I tabled the following question, to which the Minister will know the response:

> "To ask the Secretary of State for Culture, Media and Sport how much funding the (a) Royal Philharmonic Orchestra, (b) Hallé Orchestra and (c) City of Birmingham Orchestra has received from Arts Council England in each of the last five years."—[*Official Report*, 16 July 2008; Vol. 479, c. 438W.]

In the past five years, the Royal Philharmonic Orchestra received £3.8 million, the Hallé concerts society received £9.589 million and the City of Birmingham symphony orchestra received £9.6 million.

Grimethorpe Colliery band and the Black Dyke Mills band both received zero pounds. That is my main point tonight. That is a national scandal. We have bands of the likes of Grimethorpe Colliery band, which played at the Proms last year, with the Black Dyke Mills band on different nights. They have played at Carnegie hall and the Sydney opera house; they are world famous. Indeed, only last week I was talking to an Australian member of the New South Wales assembly, Noreen Hay, who represents Wollongong. She was telling me what a great band she had in the Wollongong United Mine Workers band, and about how proud she was to have a band like that in New South Wales. When I told her that I was from Grimethorpe—from "Brassed Off" country—she could not believe it. She was really pleased to meet me. It was fantastic.

David Taylor: Part of the renaissance in brass bands that has occurred was of course triggered by the film "Brassed Off", to which my hon. Friend has referred. Does he agree that the major national broadcasting organisations ought to give more air time to brass bands, to sustain the support that we know is out there? People will not necessarily be able to see Ewan McGregor and Tara Fitzgerald playing the solo in Rodrigo's "Concierto de Aranjuez", but there is nevertheless an audience out there waiting for that type of broadcasting. We can build public support, but only if those organisations play their part.

Jeff Ennis: My hon. Friend makes an extremely good point. I do not know whether hon. Members remember, but when we had the Commonwealth games in Manchester, a brass band played at the opening or closing ceremony—I forget which. To be fair to the Minister, she has suggested that we ought to try to incorporate a brass band into the 2012 Olympics, in either the opening or the closing ceremony. When she made that suggestion, the representatives from the brass bands thought that she could walk on water, for want of a better expression. She has shown her commitment to brass bands and I commend her for that.

The new chief executive of the Arts Council is a great guy. He is a Geordie, and he is fully behind my campaign. The problem is that the funding package from the Arts Council for the regularly funded organisations has now been agreed for the next three years. On paper, that means that no brass band can tap into that funding until 2011. The new chief exec of the Arts Council feels that his hands are slightly tied by this.

It being Ten o'clock, the motion for the Adjournment of the House lapsed, without Question put.

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Alan Campbell.]*

Jeff Ennis: The chief exec of the Arts Council feels that his hands are tied because of the funding package. We all know why the Government introduced three-year funding packages for the voluntary sector and for other organisations. They did so because it makes sense, because people need to know where they stand. I support the principle of three-year funding packages, but the elite brass bands have now been excluded from Arts Council funding and cast outside the door for the next three years. That is an issue that the Minister needs to address, and I would like her to have an urgent meeting with the new chief executive of the Arts Council during the summer recess, to see whether there are any ways and means of getting round this technicality. I believe that this issue must be addressed, and that is one of the reasons why I recently set up the all-party group on brass bands that I mentioned earlier. I know that it will be a very popular group.

When this issue was covered on "The Politics Show" on BBC2 a couple of months ago, Sir John Tusa, the chair of the University of the Arts, was vociferous in his support of my campaign. He said that it ticked all the right Government boxes, as one of my hon. Friends has already said. It ticks the boxes marked "social cohesion", "outreach", "widening participation in higher education", "youth involvement" and "social inclusion". Even Sir John Tusa, who is recognised as one of the high arts prima donnas—for want of a better expression—is supportive of my campaign.

I can tell the Minister that the other members of the all-party group and I will be keeping a close eye on developments between her and the Arts Council over the summer. I look forward to hearing her response to the many points that I have raised tonight.

10.2 pm

Mr. David Drew (Stroud) (Lab/Co-op): I shall be brief, partly because I took up the Minister's time last Monday, when we had a lovely debate on listed buildings—although I know that Adjournment debates on Mondays tend to get more time. I commend my hon. Friend the Member for Barnsley, East and Mexborough (Jeff Ennis). I know how passionately he feels about this subject, and he has demonstrated that again tonight.

Besides being the centre of the universe for listed buildings, Stroud also has some notoriety for brass bands. We have had a brass band festival for the past 40 years or more, set up by my dear, late lamented friend, Ossie Stephens. His comrade in arms, Bill Brunt—sadly, he is no longer with us either—was the most amusing compère. He could bring tears to the eyes, even at the most dry-as-dust concert. We have many people who spend their time keeping the festival going. I should like to mention in passing Trevor Pickens, who is currently the honorary president of the Stroud brass band festival, and Ken Gracie, who is involved in many things.

I hope that the Minister will reflect on the fact that these people are all volunteers. They have spent many hours bringing the best bands to Stroud over the years. They steward, they host, they collect the tickets and they sell the ice creams. They make the festival a wonderful occasion. Every month during the winter, we get bands to perform. Sometimes, we get world-famous bands such as Grimethorpe—although we have not had the Black Dyke Mills band for a long time—and the Yorkshire colliery bands.

We also have up-and-coming bands, and I have to declare a personal interest at this point. Until recently, my son Christopher and my daughter Esther played euphonium and tenor horn in the Nailsworth silver band. We also have the Chalford band, which is very good. My in-laws go all over the country—indeed, all over Europe. They are called Brian and Sheila Baker; when I see them on Thursday, I hope I shall get their commendation. What my hon. Friend says is absolutely true: such people go everywhere; they support these activities, and it is all made possible by volunteering.

Let me make a couple of points that have not been brought out so far. First, there are also military bands. Stroud tends to get a military band at least once every other season. It is part of the comradeship of the military to have marching bands and performing bands, which I would not like to lose. Having younger players is important. I have talked to people who have been involved with the festival for a long time, and they are all getting older. They are worrying about where the new generation of players and activists, as well as the people who do the organising, are going to come from. That is why we need some pump-priming finance.

We used to get quite good sponsorship at the local level, but it has begun to dry up, as the organisers keep going to the same people. As my hon. Friend rightly says, funding a band with new instruments is expensive, and the cost of travel is escalating. When these people involved in brass bands come to Stroud, they do not get back to their part of the north until the very early hours of the morning. That shows their huge dedication. World-class instrumentalists and conductors can be giving up their time, which is why we ask for some fairness and some recognition of the importance of these social institutions. We are talking about wonderful examples of the best of British culture. That is why brass bands are so important to all of us, even in the outposts. We have the band Flowers in Cheltenham, which is our claim to fame in the top 20; we always get one band there, but we cannot compete with the north. The north always comes to us.

David Taylor: One source of funding for the brass band movement not yet referred to is local authorities, which are well aware of the promotional potential of such bands for their own districts and counties. It helps them to be associated with a successful brass band. Let us at least recognise that, with all the pressures they face, local authorities do quite a lot in that regard.

Mr. Drew: That has been absolutely true of Stroud district council for a long time; I am sure it still provides sponsorship and help for events in our main venue, the Subscription Rooms. It gives financial help and help in kind.

Let me make a final plea to my right hon. Friend the Minister, who has some time to respond. This issue is greatly underestimated. As my hon. Friend the Member for Barnsley, East and Mexborough said, we are not trying to smash ballet or other cultural expressions; we are not saying that brass bands deserve parity. All we want is a seat at the table, which is not unreasonable in view of the millions of people who find enjoyment in this activity. Brass bands are not passing away slowly; they are very much alive, but they are facing financial problems, as it is expensive to run a brass band. The very best have to stay at the top.

Pleasingly, this issue also brings Europe together. Many bands are developing in parts of the world such as the new Europe, which pride themselves on their ability—but they look to Britain as the home country, so to speak, so it is wrong that we find it so difficult to fund our bands properly. I hope that there will be some good news, and that we will recognise properly how important brass bands are to this country's culture.

10.8 pm

The Minister of State, Department for Culture, Media and Sport (Margaret Hodge): First, I congratulate my hon. Friend the Member for Barnsley, East and Mexborough (Jeff Ennis) on securing this debate, particularly so close to the summer recess, and providing us with the opportunity to talk about this really important subject. I would also like to congratulate Grimethorpe Colliery band on becoming top of the league for the second year running and winning the English national brass band competition. I thank other hon. Friends for participating in this evening's debate: my hon. Friends the Members for North-West Leicestershire (David Taylor), for Vale of Clwyd (Chris Ruane), for Hastings and Rye (Michael Jabez Foster) and for Stroud (Mr. Drew).

Jeff Ennis: Every Member who has spoken in the debate—and I thank my hon. Friends for contributing—represents a different region of the country, or a different country in the case of Wales. Does that not underline the fact that brass bands represent every community and region of the country?

Margaret Hodge: I agree. They are essentially British, and symbolise British history and culture, and are therefore important.

My hon. Friend has led a long and honourable campaign on behalf of brass bands. I have had meetings with him, and he has gained a lot of publicity and support on the issues that he has raised. When we have had discussions, I hope that he has had the impression that he is at least heard with a friendly ear, even if I cannot always deliver for him. That ear is friendly because I am a passionate believer in the power of music, in all its genres and forms, to inspire and transform lives. I, too, enjoy brass bands and brass band music, and recognise that it can foster community spirit and strengthen neighbourhood relationships.

The debate has brought to public attention the importance of brass bands to our musical heritage and to the lives of individuals and communities across the country. The importance of music has been raised by a number of Members who have contributed to the debate. Music lifts my soul and enriches my spirit in a way that other art forms do not. Those of us who are committed to music, of whatever form, find that to be the case.

[Margaret Hodge]

Music can also bring people together, because they must practise and play together in a group, especially in bands and orchestras. That is a powerful element. Young people can learn a variety of skills from participating in music. They learn to work in a team, which is hugely important in later life. They learn to understand patterns and shapes, which is important in developing basic literacy and numeracy skills. They learn to develop creativity, which we all talk about as an important skill for survival in the increasingly competitive global economy. Therefore, it is hugely important that music should form a part of children's and young people's education. Brass bands in particular can become a symbol of community identity and pride, which is very important for social cohesion.

Brass bands have a history and distinctiveness that cannot but conjure up a sense of Britishness the moment that they are heard. Whether it is the Salvation Army playing in a shopping centre at Christmas, a Sunday afternoon bandstand performance in a public park, or a young person's concert band playing at a school open day, the sound is utterly unique and finds its most powerful and, for me, emotive expression in the colliery bands, whose plight in the late '80s was so movingly expressed, as my hon. Friend the Member for North-West Leicestershire has said, in the film, "Brassed Off". My hon. Friend the Member for Barnsley, East and Mexborough kindly gave me another DVD copy of "Brassed Off" the last time we met, and I have enjoyed watching it. It is a very good film.

Michael Jabez Foster: My right hon. Friend is diplomatic in the way that she describes the importance of music in all its forms. But is it not true that brass bands are important because people do not have to be posh to take part in a brass band, whereas in many other forms of music, whether rightly or wrongly, people feel inhibited and excluded?

Margaret Hodge: Actually, I do not agree, because I am a passionate supporter of music. I am very pleased that the Government have been able to fund a pilot project similar to El Sistema in Venezuela. One of its orchestras also played at last year's Proms. The Government in Venezuela, at national, federal or regional level, fund music for street kids, paying for musical instruments for children who are poverty-stricken and have no opportunities of any kind. Children with very little support from their parents, very low aspirations, no money and no access to any material goods are expected to engage in four hours of solid practice every day, and have become so wonderfully proficient that they perform in international concerts such as the Proms. Indeed, theirs was probably one of the most successful performances that we heard at the Proms last year.

David Taylor: Notwithstanding what the Minister has just said to my hon. Friend the Member for Hastings and Rye (Michael Jabez Foster), we have moved on since the days when the then Member for Hayes and Harlington—Mr. Terry Dicks, a working-class Tory—described opera as "fat Italians in tights". Working-class people enjoy opera and ballet as much as any other members of society. However, they are not necessarily given the access to opera and ballet, and the encouragement to participate, that constitute a routine part of the way in which brass bands operate.

Margaret Hodge: I could wax lyrical about opera as well. In Italy, it is a very working-class pursuit. Indeed, it is enjoyed by all classes and cultures. My mission, ambition and passion are to ensure that we spread the love of music in all its genres and forms to all people. That is why I am so pleased that the Government—through the Department for Children, Schools and Families, which has rather more money than the Department for Culture, Media and Sport—have invested more than £330 million in music education, as was mentioned by my hon. Friend the Member for Barnsley, East and Mexborough. That is of prime importance. It means that every primary school child will be able to have at least one year's tuition in an orchestral instrument, which is fantastically important.

In my constituency, which was lucky enough to benefit from the early phase of the roll-out of the programme to which I referred, I went to hear a group of about 100 eight and nine-year-olds play. Music was not a natural part of their culture and upbringing, and they had undergone a year of tuition for perhaps an hour and a half or two hours a week. It was really to heartening to see them bounce around, playing their instruments in time in a big group. I know that 50 per cent. of the children involved in the first year of that experiment have chosen to continue learning their instruments in the second and third years. We must do more to spread the fantastic pleasure that music can bring to many more people, and that includes the pleasure of brass bands. I do not exclude brass bands, but I do not want them to be seen as the only way in which we can engage children from all communities and backgrounds in music.

I am proud of what the Labour Government have done for the arts over the last 10 or 11 years. When we first came to office the arts were terribly underfunded, but we have managed to increase funding by 73 per cent. in real terms, and even in the latest tight fiscal spending round we managed to obtain a real-terms increase of £50 million—3.3 per cent.—for the Arts Council. As a result the arts are now flourishing, and we are considered worldwide to have some of the most excellent orchestras, theatre companies, dance companies and fine arts institutions. We should be proud of that.

My hon. Friend the Member for Barnsley, East and Mexborough is right that the Arts Council funds almost 900 regularly funded organisations. He is also right that that funding is for three years. There is a reason for that, which I hope he appreciates. Many of these organisations are quite fragile. It is easy to pick the one or two big nationals, but many of them are very local, very innovative and very much at the cutting edge. As they are fragile, if we were not to give them that three-year security in funding, they might not be able to undertake the innovation that puts them at the cutting edge, and that is the basis of so much of the creativity and excellence that we in the UK enjoy today. While I accept that it is sad that no elite brass band is funded in this round, I hope my hon. Friend will accept that we were right to go for the three-year funding pattern.

I am sure Arts Council representatives will be listening to this debate, but it is very important that we maintain the arm's length principle in the way in which we fund arts in this country. We allocate the money to a non-governmental body, and it is for it to determine, within the broad parameters and framework we set it, which organisations to fund. I can give a very good reason for that. The Leader of the Opposition recently went to a lunch with representatives of the Arts Council at which he is purported to have said that he hoped it was not funding—

Mr. Speaker: Order. If there is to be a criticism of any Member, the convention is to give warning of that. Therefore, this matter might instead be raised in a private conversation in the Tea Room.

Margaret Hodge: Thank you for drawing that to my attention, Mr. Speaker. I will not pursue that remark, but what I will say is that it is very important that there is no political interference in Arts Council decisions.

Jeff Ennis: As I expected, the Minister has given an excellent response so far, picking out all the main points I made. However, is it not the case that the Arts Council has just agreed to fund an extra 80 new regularly funded organisations but not one of them is a brass band? I agree with the arm's length point, and I also agree with the three-year funding package, but when that leads to the exclusion for three years of a major British art form—because that is what we are talking about—that is a serious omission, and it is an omission that needs to be addressed before 2011.

Margaret Hodge: I hear what my hon. Friend says, and no doubt Arts Council representatives will hear it, too. Let me just tell him something that might surprise him, however. Recently, the Department for Culture, Media and Sport, working together with the Arts Council, undertook a review of the entire amateur and voluntary sector in the arts, and we have published a report called "Our Creative Talent". It emerged that there are currently almost 50,000 voluntary groups in the arts—from bands, brass bands and orchestras to book clubs, and from lace-making to dance clubs—and there are 5.9 million members of those groups, and an additional 3.5 million volunteers who are either extras or helpers. That is a huge number of people—more than 9.4 million—who are engaged in one way or another in voluntary or amateur arts activities.

In the course of that report, the question arose of where these organisations most sought help, and the answer was interesting. It was not so much direct funding that organisations wanted; it was much more support in finding premises. This is where we come to the point raised by my hon. Friend the Member for North-West Leicestershire. I accept the point about elite brass bands, but in general, we need local authorities to assist in ensuring that the conditions exist where these thousands and thousands of voluntary arts organisations, all of which bring joy to lots of people's hearts and contribute massively to the well-being of communities, can prosper. Part of that relates to premises and part relates to advice; it is about simple things such as health and safety advice, and ensuring that if children are engaged in these activities, the necessary permissions and child protection issues are covered, because the organisations involved demand such things.

I was pleased that my hon. Friend the Member for North-West Leicestershire mentioned local authorities, because I am convinced that as well as the Arts Council playing its role, local authorities should see that these organisations are at the heart of their communities. To the extent that local authorities are therefore responsible for place making, they should invest in those organisations.

The new programme that we have launched together with the Department for Children, Schools and Families—the "Find your talent" programme—is another innovation that I hope will help brass bands to find the next generation of talented young people who can grow up to play, in one way or another, in community and amateur brass bands, bringing joy to their communities. Under the "Find your talent" scheme, we hope that every child—certainly those in the 10 pilot areas—will have access to between two and five hours of culture a week, equivalent to what more than 80 per cent. of children now enjoy in relation to sport. That is a wide menu of potential activities, including not only going to concerts, but participating in learning instruments, and not only going to theatres, but participating in dramatic activities in the schools. If the pilots, which are located all over the country—there are pilots in Leeds, Bolton, Liverpool, Tyneside, Telford and Wrekin, Folkestone and Tower Hamlets—are successful and we can prove their worth, I hope that the Chancellor will consider funding this programme, so that we can roll it out across the country.

My hon. Friend the Member for Barnsley, East and Mexborough discussed the funding that the Arts Council gives brass bands. The YouthMusic funding is important, because through the YouthMusic arm of the Arts Council, the National Youth Brass Band of Great Britain receives nearly £125,000 a year. I should put on the record the fact that this year, a former member of that band became the youngest ever winner of the BBC's "Young Musician of the Year", and we should all applaud that. My hon. Friend rightly said that only 16 applications were made under the grants for the arts programme—perhaps he will work with others to secure more—of which seven were successful, which is about the success rate for all applications that are made under the scheme.

I have talked to my hon. Friend before about the role of regional development agencies, and I am pleased to hear that he has had discussions with Yorkshire's RDA since we met. I am convinced that the Arts Council could do more—that would be a decision for it to take—but both local authorities and regional authorities must also do their part in ensuring that this very important community activity is sustained.

My hon. Friend was kind enough to mention the fact that 2012 gives us an enormous opportunity to blow the trumpet—or play whatever instrument one chooses—of the brass band. The London Organising Committee of the Olympic Games and Paralympic Games—LOCOG—is responsible for developing the opening and closing ceremonies for 2012, not the Government. He will be delighted to hear that at every meeting I have with LOCOG, I say, "Have you got a brass band in yet?". I think that doing so would be one of the very symbolic ways in which we could celebrate the greatness of Britain during the great year of the 2012 Olympics, and I hope that he will join me in campaigning for that, so that we can put brass bands at the heart of our communities and at the heart of Britain.

Question put and agreed to.

Adjourned accordingly at half-past Ten o'clock.

House of Commons

Tuesday 22 July 2008

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

HEALTH

The Secretary of State was asked—

Primary Care

1. **Lynne Jones** (Birmingham, Selly Oak) (Lab): If he will make a statement on the implementation of the proposals in the NHS next stage review final report on equitable access to primary care. [220333]

The Secretary of State for Health (Alan Johnson): Primary care trusts continue to make good progress in securing more than 100 new GP surgeries in under-doctored areas and 152 GP-led health centres, to be open to patients 12 hours a day, 365 days a year. Those services will improve access, extend choice and complement existing family doctor services.

Lynne Jones: According to a recent survey of people attending a mental health day centre in south Birmingham, 85 per cent. did not have a GP. That shocking result demonstrates the need to expand primary care services and fill the gaps, so the Government's increased investment is welcome. However, the confusion about the rules on expanding those services is not so welcome. Will my right hon. Friend take this opportunity to clear up the confusion by explaining the difference between giving money to existing GP practices to expand, which is apparently not allowed, and GP practices bidding to provide additional services, which is allowed?

Alan Johnson: Yes, I am happy to do that. We are giving £100 million to all GP practices this year to improve the care that they offer patients. On under-doctored areas, we believe that there is a genuine need in the most deprived areas—the 25 per cent. of primary care trusts with the worst provision—to provide new services and new centres, not only for GP services, although they will be GP practices, but for the facilities to screen, and to deal with issues such as smoking cessation and all the problems that health inequality encapsulates. That is not to say that we are not also giving extra money to existing GP surgeries, but we believe that we need new services, some for the capacity reasons that my hon. Friend mentioned.

Sir Patrick Cormack (South Staffordshire) (Con): Apart from taking a well-deserved holiday, will the Secretary of State spend some time during the recess considering the sort of letters that primary care trusts send to those to whom they have to decline grants or treatment? Some are grossly insensitive and written in the most insensitive, bureaucratic language. Will he have a look at that?

Alan Johnson: I thank the hon. Gentleman for wishing me well on my holidays. I hope that on his holidays he will read the NHS constitution, which is out for consultation until 17 October. It includes a paragraph that relates precisely to the point that he makes. If a PCT decides that a drug that is outside the NICE process will not be approved, it should do that transparently. Under the constitution, patients will have a right to receive lucid and transparent information about the PCT's decision.

Paddy Tipping (Sherwood) (Lab): But do a significant number of patients not want more flexibility about seeing their GP at weekends and in the evenings? In the 60th year of the NHS, should we not back the patients rather than the professionals?

Alan Johnson: My hon. Friend is right. Incidentally, we now have the latest figures. Since concluding the agreement with the British Medical Association in April, in which we sought the extension of provision in the week and on Saturdays—we expect 50 per cent. of GP surgeries to offer that extended provision by the end of the year—we have already moved in the first couple of months to 28 per cent. coverage. That is what patients need, not least in the constituency of my hon. Friend the Member for Birmingham, Selly Oak (Lynne Jones): in Birmingham recently, patients had a specific concern about access to GP surgeries.

Sandra Gidley (Romsey) (LD): Although the GP centres in under-doctored areas are welcome, does the Secretary of State agree that he has missed a trick on the GP-led health centres, which have been imposed on PCTs? If PCTs had a little more time, they could have consulted local communities and probably placed the GP-led health centres in areas where they were needed, and people would not feel quite so put upon.

Alan Johnson: I do not accept the hon. Lady's point. There is a genuine problem with capacity—we are not considering a zero-sum game. From next year, we want all men and women between the ages of 40 and 74 to come in on a call and recall basis under a vascular screening programme. When we announced that earlier this year, the BMA said it did not have the capacity. There is a genuine need for those services. Each PCT must consult on the new GP-led health centres, and they will be welcomed. As the *Health Service Journal* said of the Opposition a couple of weeks ago, it is easy to campaign against closures but it takes a perverse genius to campaign against openings.

Geraldine Smith (Morecambe and Lunesdale) (Lab): Although the extra Government investment in GP services is most welcome, why is there not the flexibility to allow existing GP practices to expand to meet the need, rather than having to create a new practice, which could have the effect of destabilising existing GP services? That is a real concern to GPs in my constituency. This should be done in that way only if the primary care trust wants that, but the PCT in my area blames the Government; it says it would like to do it another way, but the Government will not allow it to do so. What is the true situation?

Alan Johnson: My hon. Friend has raised this point with me, and a letter about the disgraceful attitude of the PCT is winging its way towards her. Although there may be numerous PCTs which are trying to duck this issue by blaming the Government, they are wrong. We are talking about the provision of care for their patients. My hon. Friend is talking about under-doctored areas, and they have been under-doctored for 60 years. If that was just a matter of handing over the money to the British Medical Association, which is what its political representatives on the Opposition Benches argue for, it would have been resolved years ago. We are saying that the new GP services are important for these areas as they are in the interests not only of patient care but of something I know my hon. Friend is passionate about: tackling health inequalities.

Mark Simmonds (Boston and Skegness) (Con):We in this House all agree that there must be the highest standards of patient care, and the Darzi report rightly highlights the lack of accessible information about some GP practices, which hinders patient choice. However, this issue was identified in a previous Government report that was published two and a half years ago in January 2006, yet to date there has been minimal progress. Will the Secretary of State explain how patient care is to be improved, specifically via all-important innovation, when GPs do not have, and will not have, control of real budgets, the centralised target culture is to be maintained and extra tiers of regional bureaucracy are to be created via this report, instead of a responsive, patient-centric, outcome-based service?

Alan Johnson: There is obviously an audition on the Opposition Front Bench. There will be a reshuffle soon by the Leader of the Opposition, and with the hon. Member for South Cambridgeshire (Mr. Lansley) away, this is the other shadow Ministers' chance to audition.

Let me unpick the question a little. The argument that the hon. Member for Boston and Skegness (Mark Simmonds) uses is that GP practices somehow do not have any control over the situation. We negotiate with the BMA constantly. There are issues around improving patient care on which we agree with the BMA, and we are working closely with it to resolve them. The point about a bureaucracy emerging from the Darzi review is nonsense. The Darzi review takes into account the views of thousands of clinicians across the country, and it is about the opposite of this kind of bureaucracy. It says that with the right metrics—I apologise for using that dreadful term, but they use it—in place, quality can be measured and thus improved.

On central targets, I pointed out in the last debate we had on this issue that 16 years after the Conservatives came to power, their Secretary of State for Health was setting a target of waiting no longer than 18 months for important clinical treatment. The fact that that will be 18 weeks maximum by the end of this year is a tribute to the NHS, but a necessary part of achieving that was the introduction of those targets.

Foundation Trusts (Local People)

2. **Alun Michael** (Cardiff, South and Penarth) (Lab/Co-op): What assessment he has made of the progress made by NHS foundation trusts in recruiting local people as board members and engaging them in planning. [220334]

The Minister of State, Department of Health (Mr. Ben Bradshaw): The 103 NHS foundation trusts have recruited more than 1.2 million members and more than 3,000 governors. Independent studies show that they have been successful in bringing decision making closer to their local communities.

Alun Michael: I thank the Minister for that reply. When I visited Homerton hospital in Hackney with Treasury officials last year, we were impressed by the way in which a wide membership of the local community was proving a source of inspiration to senior medical and other staff in the NHS trust. Has my hon. Friend taken note of the recommendations in the report prepared by Chris Ham and Peter Hunt, which says the potential that would arise from having more than 1 million members in these trusts could be fully engaged only if there was a sustained commitment of resources to members' services? Will he ensure that that wide engagement of the public is made a mainstream preoccupation within NHS trusts, and that this continues to be a success story?

Mr. Bradshaw: Yes indeed. As I am sure my right hon. Friend will know, the legislation states that foundation trusts must engage with local communities, encourage local people to become members and ensure that their membership is representative. He cites one example, and I could give one from my constituency—my local foundation trust—where the engagement of local people has led the hospital to have objectives of eradicating all waiting by 2010, introducing single rooms for those who want them by 2012 and completely eradicating avoidable infections by 2010. That is an example of local people setting local priorities for an excellent local hospital.

Dr. Richard Taylor (Wyre Forest) (Ind): The Minister will be aware of the Local Government Association's health commission report "Who's accountable for health?" It stresses the importance of local involvement networks—LINks—and overview and scrutiny committees, so will he ensure that foundation trust memberships fully engage with LINks and overview and scrutiny committees?

Mr. Bradshaw: Yes. It is very important, of course, that foundation trust memberships do that, although the roles of overview and scrutiny committees and of LINks are slightly broader—they cover the whole of a local health economy—than the specific, narrow responsibility of foundation trust governors or members. It makes sense for them, and I hope that good foundation trust organisations take on the engagement that the hon. Gentleman suggests.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): The group of people whose input can contribute greatly are those who have a bad experience and simply want to ensure that it does not happen again. Their desire to be involved may be a short one; they may want to be involved for less than a year. Will the Minister ensure that that group is not overlooked and that we do not end up with local involvement that becomes politicised, with a small "p"? We should use individual experiences, even though these people are difficult to recruit.

Mr. Bradshaw: My hon. Friend has touched on something very close to my heart: the importance of ensuring that patients and staff complain, do not feel frightened of complaining and are supported in that complaints process. If she has not come across this, she might like to examine the excellent role played in many places by the patient advice and liaison services—PALS—system, which acts as an advocate and a navigator for people who want to ensure that something that has happened to them does not happen to someone else without their having to stay involved in the system on a long-term basis. She rightly says that many people just do not have the time or inclination to stay involved in that way.

Sir Nicholas Winterton (Macclesfield) (Con): What importance do the Government place on the appointment of really local people on the board of NHS foundation trusts? By "really local", I mean people who live in the core area of that trust. Are not such people really likely to be able to reflect the view of the local people about the quality and extent of the service being provided at their hospital?

Mr. Bradshaw: As I have said, the trusts are under a legal obligation to ensure that their board is representative of the local community. The hon. Gentleman might have an example of a foundation trust's board of directors that is not as representative as it might be, but I suggest to him that the governors have it in their power—after all, they are elected by the whole membership, which can number tens of thousands of people—to ensure that such a board better reflects the local community.

Dan Rogerson (North Cornwall) (LD): Transparency will be vital in encouraging local people to get involved in the management and scrutiny of their local services. When will the Minister publish the review of the market forces factor?

Mr. Bradshaw: As we have already said in a written statement to this House, we intend to publish that alongside the operating framework in October.

Mike Penning (Hemel Hempstead) (Con): May I ask the Minister to join me in congratulating Monitor on the excellent work it has done over the years to get the right trusts—the viable trusts—through as foundation trusts? Can he explain why so many trusts fail the Monitor test? Even though they have gone through their own board, their health authority and his Department, Monitor still says that a third of the trusts are not suitable. Is that not a waste of money, and should it not be picked up earlier?

Mr. Bradshaw: No, that happens because Monitor rightly has a high standard. We are working closely with Monitor and with the trusts concerned to ensure that those that apply are more likely to get through the process. If we want to ensure that foundation trust hospitals are hospitals of high quality, it is right that we set the bar high—that is necessary. The hon. Gentleman seems to be suggesting that any trust should become a foundation trust, regardless of the quality of its finances and its care.

Social Enterprise Start-ups

3. **Mr. David Drew** (Stroud) (Lab/Co-op): What assistance his Department offers to social enterprise start-ups in the health sector. [220335]

The Parliamentary Under-Secretary of State for Health (Mr. Ivan Lewis): The Department has allocated £100 million for the social enterprise investment fund over four years from 2007 to 2011. That includes £73 million capital and £27 million revenue funding. We have already awarded £10 million to social enterprises, including start-ups, in 2007-08.

Mr. Drew: I hear what my hon. Friend says, and as a Co-operator I like social enterprises. But is it not fair to say that it would be much better if we were to look at new ideas and start-ups from social enterprises, rather than looking at ways the NHS could be run differently? There is at least a degree of confusion out there, and I wonder if it would be better if we changed our attitude to organisational reforms—which are necessary—as the best place for social enterprises.

Mr. Lewis: We need to do both. We need to encourage innovation and original ways of working, with organisations coming in that can offer health and social care services in a different way. If we look at the challenge of health inequalities and reaching black and minority ethnic communities and other hard-to-reach communities, we find that social enterprises have an important role to play in helping us to tackle that. Equally, if existing groups of staff in the NHS feel that they can offer a better, more innovative and flexible service through a social enterprise, we want to give them the right to ask the question and have their proposal seriously considered by a primary care trust. We will certainly use many of our resources to encourage new organisations to come into the NHS and social care system to provide the innovation and flexibility that we want in a modern health care system.

Miss Anne McIntosh (Vale of York) (Con): Surely the most social enterprise of all is allowing GPs to continue to dispense to patients who live more than a mile away from a pharmacy or the GP practice. Will he look favourably on that as part of his social enterprise agenda?

Mr. Lewis: It is very important to understand that we are reviewing the provision of those services following the publication of the community pharmacy White Paper. No final decisions have been made. When we make the decisions, we are concerned about the best interests of the communities and patients. That should be our priority, rather than the narrow interests of one group of professionals.

Mr. Andy Reed (Loughborough) (Lab/Co-op): My hon. Friend is right to say that social enterprise, especially co-operatives, can play an important part in delivering very local services. The capital money is worth while and very valued, but will he ensure that there is a culture, right through the NHS, that ensures that when people come forward with co-operative or social enterprise ideas, they are not rejected out of hand? This should not be an isolated programme, but a core part of what the NHS does. As my hon. Friend rightly says, organisations such as Shepshed Carers, a co-operative in my constituency, provide some of the best care because they believe in the co-operative principle and they deliver services locally.

Mr. Lewis: My hon. Friend is right. At the heart of world-class commissioning is a recognition of the fact that we need to commission not only traditional in-house provision, but imaginative solutions. We also need to look at facilitating and building the capacity of the voluntary sector and social enterprise in local communities, not simply wait for bids from existing organisations. The new NHS constitution makes it clear that any organisation providing NHS services in the future will have to take account of the fundamental non-negotiable principles it contains. That provides safeguards for hon. Members who have concerns about diversification in the NHS. For the first time, voluntary organisations, social enterprises and the private sector will have to play by the rules in the constitution in an integrated NHS.

Dr. Vincent Cable (Twickenham) (LD): Is the Minister actively promoting the Sunderland model of social enterprise, which has been used to organise community nursing and is proving to be a much more satisfactory alternative than privatisation, which would undermine the tradition of public services?

Mr. Lewis: It is not my job actively to encourage one model against another. If something is working, clearly making a difference and achieving better outcomes for patients, we need to ensure that information about that model is available across the system. As part of Lord Darzi's report, we have, for the first time, given staff the right to request the chance to set up a social enterprise. We have also introduced new arrangements for pension provision for existing staff who wish to become part of a social enterprise. Essentially, we have removed many of the obstacles and the barriers that in the past have prevented staff who wanted to take that option from doing so. We will certainly look at the model that the hon. Gentleman mentions, and where we can learn from it we will share best practice.

Diabetes

4. **Keith Vaz** (Leicester, East) (Lab): What steps his Department is taking to improve awareness of diabetes. [220336]

The Parliamentary Under-Secretary of State for Health (Ann Keen): "Putting Prevention First" states that everyone aged 40 to 74 will receive an individual risk assessment for vascular conditions, including diabetes. The associated Reduce Your Risk campaign, announced in "High Quality Care for All", will be aimed at raising awareness among the general public of the risks of diabetes and other vascular diseases.

Keith Vaz: I discovered I had type 2 diabetes only after I attended a local screening centre organised by my local GP. It is estimated that half a million people in the UK have undiagnosed diabetes. In fact, some right hon. and hon. Members will have diabetes but will be unaware of it. Does my hon. Friend agree that the best way is to spend money on prevention rather than cure and that awareness is therefore crucial? Will she welcome the establishment of the new centre of excellence for diabetes in Leicester that is being paid for by the PCT?

Ann Keen: Diagnosing people with diabetes so that they can receive care and treatment is vital and I am pleased that my right hon. Friend has had the treatment that he needs to manage his diabetes. He will be pleased to know that the quality and outcomes framework has resulted in an extra 200,000 people being diagnosed with diabetes in the past year alone. Initiatives such as the Silver Star Appeal are vital in reaching all areas of the population. I congratulate my right hon. Friend and Leicester PCT in particular on the work that they have to done for those who are at an increased risk of diabetes. I congratulate him on establishing that charity. The work on the proposed diabetes centre of excellence will continue and that centre will, we hope, spread good practice around the country.

David Tredinnick (Bosworth) (Con): Apart from the excellent work in Leicester, is the Minister aware of the work at King's college hospital, particularly the DAFNE course? That one week course in dose adjustment for normal eating has been described in the *British Medical Journal* as improving

"blood glucose control, quality of life and treatment satisfaction."

Will the Minister look closely at that one-week course? If she does, she will probably find that it is much safer for diabetics once they have done the course and that it reduces the amount of insulin consumed.

Ann Keen: That is a very interesting comment. We need always to be ready to learn and to consider new research. I would be happy to look at that research and to take the subject up with the hon. Gentleman if he wishes.

Jeff Ennis (Barnsley, East and Mexborough) (Lab): May I declare my interest as a diabetic? I agree with the comments made by my right hon. Friend the Member for Leicester, East (Keith Vaz); diabetes is an illness that creeps up on a person. I guess that it was more than two years before I was diagnosed with diabetes. Early diagnosis is crucial.

Will the Minister join me in congratulating Barnsley district general hospital on its recent improvements and investment in its diabetes centre? That has really improved the service for diabetics in Barnsley.

Ann Keen: Of course, I am pleased to congratulate Barnsley. I give my hon. Friend my best wishes in dealing with his diagnosis. We should perhaps screen more Members. If more of us are confident with our own health care, we can go out and be ambassadors to our constituents.

Anne Milton (Guildford) (Con): The incidence and prevalence of diabetes are greater in areas of high deprivation, the incidence of type 2 diabetes is five times higher in black and ethnic minority groups, and diabetes is predicted to grow by 9 per cent. by 2010. Will the Minister outline what she is doing to address the health inequalities that are very prevalent as regards the disease?

Ann Keen: The strategy published last week addresses all those issues. I am pleased to see that the hon. Lady is concerned about health inequalities, because we want our health centres and our out-of-hours facilities to address them. Screening with specialist nurses, in particular, will take place so that we can look after members of BME communities in a special and different way.

Children's In-patient Services (Leeds)

5. **Mr. Paul Truswell** (Pudsey) (Lab): What progress has been made on the centralisation of children's in-patient services in Leeds. [220337]

The Parliamentary Under-Secretary of State for Health (Ann Keen): Plans to centralise children's in-patient and critical care at the Leeds general infirmary are well under way. Each specialty within children's services has established a planning group to look at how improvements can be delivered, and the location of children's facilities has now been agreed.

Mr. Truswell: I thank my hon. Friend for that response. I also thank her on behalf of the young patients, their parents and the health professionals for the personal interest that she has taken in this project, which is very much to be commended. The strategic health authority has submitted a bid for public dividend capital to part-finance the project. Can she assure me that she will look at that bid favourably and speedily and that she will retain her interest in the project to make sure that it is delivered by the target date of November next year?

Ann Keen: My hon. Friend has been exceptionally persuasive in developing my interest in this local scheme, as have all other Members in the area. I thank him for his comments, but the people of his constituency, and of Leeds in general, also need to thank him, because he has certainly led the campaign to improve and change children's services. I have had the privilege of meeting the parents, carers and clinical staff, and the parents and carers in particular have done sterling work. I believe that my hon. Friend is meeting the chief executive tomorrow, and I am sure that they will both keep me informed and update me as appropriate.

Pharmacies

6. **Mr. Graham Stuart** (Beverley and Holderness) (Con): What effect he expects the outcome of the pharmacy consultation to have on the viability of local GP practices in (a) Beverley and Holderness constituency and (b) England. [220338]

The Minister of State, Department of Health (Dawn Primarolo): We have no proposals in the pharmacy White Paper "Building on strengths—delivering the future" that should affect the viability of GP practices. The White Paper is considering the control of entry provisions for dispensing services, not general medical services offered by GPs.

Mr. Stuart: GPs who serve rural areas, such as the Hedon group practice, which I visited on Friday, provide a highly valued dispensing service to the surrounding areas. The practice uses some of the income from that to subsidise unprofitable branch surgeries, such as the one in Keyingham. Does the Minister accept that the pharmacy White Paper proposals threaten the viability of those carefully constructed and excellent services?

Dawn Primarolo: No, I do not. The average GP partner of a practice who does not dispense earns about £120,000 a year; a dispensing GP partner would earn, on average, about £20,000 a year more, taking their income to £140,000. It is also true that dispensing GPs have smaller list sizes, but even allowing for that, the average income a year for a GP dispensing medical services would not become unviable. I reiterate that there are no proposals to end dispensing by doctors. I accept entirely the point that Members have made about the need to look carefully at each area to make sure that provisions are available, but we have a duty, when considering the extension of pharmacy, to consider the rules for dispensing doctors, which have been in place since 1912.

David Taylor (North-West Leicestershire) (Lab/Co-op): But the suggestion is that where dispensing chemists exist within 1 mile of a GP practice, the right of that practice to dispense will cease. That would hit very hard practices that serve rural areas in north-west Leicestershire, such as the Measham medical unit, which uses the money that it gets to provide more doctors and better facilities. Can the Minister suggest how the high reputation of such practices and the high quality of service that they provide to many thousands of patients in rural areas will be protected under the proposed framework?

Dawn Primarolo: If my hon. Friend looks at the White Paper on pharmacies, he will see that it is to do with extending the provisions through the 10,000 pharmacies in this country, making them health centres and ensuring that they can do some of the diagnostic work that Members discussed earlier, such as diabetes testing. As regards the 1,100 dispensing practices in this country, I would say to my hon. Friend that there is no suggestion whatever in the White Paper that dispensing GPs are to be abolished. That is an unfortunate proposition, which is being put around by some, and it simply is not true. The points that my hon. Friend makes about ensuring continued provision in rural areas are entirely accepted on the basis of the services needed.

Mr. Philip Dunne (Ludlow) (Con): I have listened very carefully to the Minister. Can the House take it from what she has said that, in contrast to the comments made—quite properly, as I interpreted the White Paper—by the hon. Member for North-West Leicestershire (David Taylor) dispensing GPs who are more than a mile from an existing commercial dispensary will continue to be allowed to dispense, irrespective of the consequences of the consultation?

Dawn Primarolo: With respect to the hon. Gentleman, I would say that if he can find in the White Paper the proposition that dispensing GPs are to be abolished, I would be grateful if he pointed it out. It is not there. The purpose of the White Paper is to consider the control of entry for pharmaceutical services in local areas. There are 10,000 pharmacies, and the issues are to do with access to those services. I am sure that he would accept that, while wanting to protect dispensing GP services where there are no other services available, which makes those services essential to the rural area, it would be quite remiss of the Government not at least to look at the rules concerning circumstances in which a GP dispensing service is on the opposite side of the road to a pharmacy. That is all we are doing.

Sunbeds

7. **Mrs. Siân C. James** (Swansea, East) (Lab): What progress his Department has made in gathering information on the number and distribution of sunbeds, as referred to in paragraph 10 of the cancer reform strategy. [220339]

The Minister of State, Department of Health (Dawn Primarolo): We have carried out some preliminary scoping work and are examining the findings. I know that my hon. Friend is a great champion on this matter. We are considering the commissioning of further collections of information in order to inform decisions in due course.

Mrs. James: I appreciate the Minister's answer. I know that she is aware of my campaign, as she has kindly said. There has recently been another incident of a young person being seriously burned by a sunbed, in the constituency of my right hon. Friend the Member for Darlington (Mr. Milburn). Such incidents are still happening too often. Within the cancer reform strategy, can some of the information that is collated concentrate specifically on which salons are staffed and which are unstaffed, and on the number of incidents that occur?

Dawn Primarolo: I am sure that the whole House is appalled at the prospect of children who use tanning machines being severely burned, and at the fact that they are using them in an unsupervised manner. I entirely accept my hon. Friend's point, and I will certainly consider how it will be possible to collect the information that she is seeking regarding salons with tanning machines that are not properly staffed, or not staffed at all, and that therefore pose a greater risk to minors—and, indeed, to all who use them.

Mr. Lindsay Hoyle (Chorley) (Lab): This is also about people who have tanning machines at home. What can we do to protect such people? What advice are we giving them? We know that these machines are not good for us; we know that they are bad. What can we do to bring in real legislation? The statistics are there. The information is there. We need to take real action to ensure that we get the message across that the machines are unsafe. I look forward to the Minister's reply.

Dawn Primarolo: My hon. Friend raises an important point about the provision of information and guidance regarding facilities that people have in their homes. I entirely agree that part of the consideration, in addition to collecting information on unsupervised machines in public places, and on who has access to them, should involve the Government considering carefully whether the proper mechanisms are in place to inform individuals of the risks of using them, so that they can decide whether to do so.

Hospital-acquired Infections

8. **Mr. David Kidney** (Stafford) (Lab): What research his Department is funding to develop vaccines for hospital-acquired infections. [220340]

The Parliamentary Under-Secretary of State for Health (Ann Keen): The Department is not directly funding research to develop vaccines for health care-associated infections, but is funding the national vaccine evaluation consortium, which provides the infrastructure through which clinical trials on a clostridium difficile vaccine will be conducted.

Mr. Kidney: We heard exciting news just over a week ago that there might be a vaccine for such killers as MRSA and clostridium difficile in the next 10 years, and I urge my hon. Friend to ensure that the Department supports that research. Given the time scale, however, does she agree that it is important that health trusts do not take their eye off the ball when it comes to protecting patients against those potential killers by following the guidance on hygiene, clean premises and wards and screening newly admitted patients?

Ann Keen: My hon. Friend raises a very important point. In fact, he must have raised it in his constituency, as the rates of MRSA and C. difficile infection in the Mid Staffordshire NHS Trust were in decline in March this year. All health staff in the area are to be congratulated. We have reduced infection rates significantly for MRSA and C. difficile. Latest data from the Health Protection Agency for January to March show that MRSA bloodstream infections are down 33 per cent. from the same quarter of last year, and by more than 49 per cent. from the 2003-04 monthly average. The same is true for C. difficile infections: in the most vulnerable group of those aged 65 and over, the rate is 32 per cent. lower than in the same quarter of last year. NHS staff work extremely hard to drive down the number of infections. I agree that we must not take our eye off the ball, but we must also recognise such significant improvements.

Diabetes

9. **Mr. Adrian Sanders** (Torbay) (LD): What progress has been made on meeting the national service framework for diabetes targets; and if he will make a statement. [220341]

The Parliamentary Under-Secretary of State for Health (Ann Keen): We are continuing to make good progress against the diabetes national service framework standards. Data from the quality and outcomes framework demonstrate that the vast majority of people with diagnosed diabetes are receiving the key processes of care. The national health service continues to pursue a range of initiatives to address all the standards in the national service framework.

Mr. Sanders: I think that all progress is welcome, but the problem that is being identified is that progress is not universal. In particular, there is no universal access to specialist diabetes services. What are the Minister's plans for addressing that?

Ann Keen: Data from the quality and outcomes framework also show that the service is improving year on year, and I believe that a progress report with examples from across the country is due to be published in August. We are working with the national diabetic support team and key stakeholders such as Diabetes UK to produce advice, guidance and the practical tools to support the NHS in achieving the vision set out in the national standards framework. There is more to do, and although improvements have been made, the increase in type 2 diabetes in particular means that as soon as we feel that there has been an improvement, the figures change. The problem is therefore very difficult to monitor, and I look forward to the report that I believe will be published in August.

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): The focus on more mature people and type 2 diabetes means that there is a danger that the needs of children with diabetes may be overlooked. Will the Minister commend the way in which the Milton Keynes PCT has worked with the local parents support group MK Kids With Diabetes to make sure that local services for children with diabetes reflect the desires of those children and their parents?

Ann Keen: I thank my hon. Friend for those comments, and I should be very interested to learn more about what is taking place in Milton Keynes. We are very concerned about children's health education in the schools framework, as the Every Child Matters scheme shows, and are very pleased to hear about the initiative in Milton Keynes.

Speech and Language Therapists

10. **Simon Hughes** (North Southwark and Bermondsey) (LD): If he will increase the number of speech and language therapists working in the NHS in (a) Greater London and (b) England. [220342]

The Secretary of State for Health (Alan Johnson): Local NHS organisations are best placed to assess the needs of their local community and commission the required number of training places to develop the work force to meet those needs. We will respond more fully to the issues raised by the Bercow review in our child health strategy.

Simon Hughes: I am grateful to the Secretary of State for that answer. Following yesterday's very successful and well-attended debate on children and young people, may I ask him specifically about adults? The estimates are that more than 250,000 adult stroke survivors have speech and communication difficulties. The Royal College of Speech and Language Therapists is based in my patch, and a survey that it carried out found that more than half of adult stroke survivors say that either they did not receive services quickly enough or that they were not given enough therapy. Will the Secretary of State look at that problem, as resolving it would enhance the quality of life of people who survive stroke and who want, as anyone would, to go back to living a full life?

Alan Johnson: The hon. Gentleman is absolutely right, and the stroke strategy that we published in December highlighted that issue, in relation to the need for aftercare. I am happy to say that an increasingly large number of people survive strokes because of techniques such as thrombolysis, and lead a normal, or near-normal, life afterwards. Let me be absolutely clear with him: in total, the number of speech and language therapists has increased by 38 per cent. since 1997, and the number of students training to be speech and language therapists has increased by 69 per cent. We need to address the issue; it is a crucial part of the stroke strategy. The hon. Member for Buckingham (John Bercow) has done a splendid job in relation to children and young people, but the hon. Member for North Southwark and Bermondsey (Simon Hughes) is absolutely right to raise the issue in the context of adults, too.

Topical Questions

T1. [220358] **Mr. Philip Dunne** (Ludlow) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Health (Alan Johnson): The responsibilities of my Department embrace the whole range of NHS social care, and mental and public health service delivery, all of which are of equal importance.

Mr. Dunne: Did the Home Secretary ask the Secretary of State for his advice on the impact on patients, staff and security arrangements of the Home Secretary's proposals for hospital visits by convicted knife-crime assailants, and if so, what advice did he give her?

Alan Johnson: There was never a proposal to take a person who had stabbed someone to meet their victim in accident and emergency, or in any other part of the hospital. *[Interruption.]* No, there was not; there was no such proposal. The hon. Gentleman will be interested to learn that the proposal is that, as part of a restorative justice process, youngsters who have been caught in possession of a knife but have never used one will be taken by a physician in the local health service to see the damage that knives can cause. I think that that is eminently sensible, and that was the proposal all along.

Mr. Kevin Barron (Rother Valley) (Lab): Will my right hon. Friend tell us when he will publish the review of prescription charges?

Alan Johnson: Shortly, I think. There is a bit more work to do, but we hope to be able to publish the review in the next few months.

T2. [220359] **Simon Hughes** (North Southwark and Bermondsey) (LD): As we continue to celebrate 60 wonderful years of the NHS, may I ask the Secretary of State or Ministers to make sure that, up and down the land, it is invariably the case that when people who work for the NHS deal with a patient in a hospital or clinic, or with their family, their name and job description are identifiable, and they introduce themselves to explain why they are there?

Alan Johnson: I doubt whether that was part of Bevan's initial vision for the NHS; I do not think that name badges were involved, but the hon. Gentleman makes an important point. We want to ensure respect and dignity, and seek to measure the compassion and quality of care that people receive. That, quite aside from wonderful surgery, great medicine and so on, can be an important part of a patient's experience of the NHS.

T4. [220362] **Mrs. Linda Riordan** (Halifax) (Lab/Co-op): I welcome the work of the secondary breast cancer taskforce, which has identified the fact that women living with secondary and metastatic breast cancer frequently have no individual to co-ordinate their care and support. With treatments having improved significantly over the past decade, and with more and more women living with breast cancer, will the Minister ensure that those women get the care and support that they need from a clinical nurse specialist?

The Parliamentary Under-Secretary of State for Health (Ann Keen): I thank my hon. Friend for her question. I have met representatives from Breast Cancer Care and the secondary breast cancer taskforce on two occasions to discuss raising the profile of secondary breast cancer. The Department of Health is aware that patients with secondary breast cancer have very different needs from those with primary breast cancer, and those two bodies made that very clear to me. I thank the all-party group on breast cancer for its guidance; it does sterling work. We continue to look at specialist services, particularly those provided by specialist nurses, in that area. The National Institute for Health and Clinical Excellence is also currently developing clinical guidance for the diagnosis and treatment of advanced breast cancer; we expect it to be published in February 2009.

Mr. Stephen O'Brien (Eddisbury) (Con): It is the last day of term and time for some end-of-term reports. First, on the serious subject of superbugs, given that there were 4,500 cases of MRSA in 2007-08—nearly 600 more than the level needed for the Government to meet their target of halving MRSA rates by last March—and that clostridium difficile has increased by 6 per cent. compared with the previous quarter, despite the statistics read out by his colleague a moment ago, does the Secretary of State accept that the deep clean programme was a flawed gimmick from a Prime Minister desperate for a headline? Will he now heed the advice of *The Lancet* that the Government should stop pandering to populism about hospital cleanliness and listen to the evidence about washing hands, screening and bed occupancy rates?

Alan Johnson: It is just as well that I am not presenting an end-of-term report on the Opposition Front Bench—[HON. MEMBERS: "Go on."] I resist the temptation. The hon. Gentleman may be a better concert pianist than he is a Front-Bench spokesman. I do not understand the attitude of Conservative Members towards the current figures: a 33 per cent. reduction in MRSA and a 32 per cent. reduction in C. difficile. He talks about C. difficile rising against the previous quarter, not the previous year. That is always the case, because the figure includes the winter period when more older people—these are post-65 statistics—go into hospital. I would have thought that he would celebrate the latest statistics and that he would know by now that no one on the Labour Benches or anyone in the health service has stopped saying, "Wash your hands, responsibly prescribe antibiotics and ensure that you isolate with cohort nursing anybody who has shown symptoms of MRSA."

On screening, we announced that we will pre-screen everyone in elective surgery and everyone in emergency surgery over this comprehensive spending review period. The Conservatives should be congratulating us on a real success story.

Several hon. Members *rose*—

Mr. Speaker: Order. I remind Front Benchers that there are Back Benchers to be considered. Topical questions were and are for the benefit of Back Benchers.

Mr. O'Brien: I am grateful, Mr. Speaker.

On another equally important aspect, in 2002, the Prime Minister, when he was Chancellor, committed all Departments to ensuring by April 2006 that the price for contracts reflected the full cost of the service. That would have ended the scandal of charitable giving to hospices being used to subsidise NHS care. The Prime Minister has now broken that promise because he failed to use the end-of-life strategy to introduce full cost recovery. Does the Secretary of State defend the Prime Minister's broken promise in not using the tariff in end-of-life care?

Alan Johnson: The publication of the end-of-life care strategy last week was welcomed in all quarters and was drawn up with the full involvement of the hospice movement. For the first time, we are seeing a proper strategy in this country for people in end-of-life situations, not just for the patient but for their carers.

T5. [220363] **Helen Southworth** (Warrington, South) (Lab): Considering the impact on health of excessive consumption of alcohol, will my right hon. Friend tackle irresponsible promotions in pubs and clubs, including, for example, "Buy two glasses of wine and get the rest of the bottle free" or "Four shots for £5", which are encouraging people to drink excessively?

The Minister of State, Department of Health (Dawn Primarolo): I know that Members and reports from outside have expressed growing concern at the damage to health and the harmful drinking to which such discounted promotions perhaps contribute. We are awaiting research and independent reviews on this and the reports are expected in September. If promotions are demonstrated to contribute to harm and if restricting or banning them would improve health, we will certainly take action.

T3. [220361] **Mr. John Baron** (Billericay) (Con): We are two years into a national bowel cancer screening programme, and yet the east of England lags far behind other regions. Indeed a recent letter from my PCT confirms that no hospital in Essex has received accreditation for the programme and, therefore, no screening invitations have been sent out—not one. Will the Secretary of State please look into this poor state of affairs and ensure that Essex and the east of England receive the help they need to catch up with other regions across the country?

Alan Johnson: Yes, I will look into that. I recently visited the cancer screening programme in the south-east. It is not due to go on stream nationwide until next year, but if one region is lagging as far behind as the hon. Gentleman has suggested, we need to look into the matter and ensure that it catches up.

T7. [220366] **Jeremy Corbyn** (Islington, North) (Lab): I am very concerned about the current level of funding for mental health services in London. I recognise that the Government have made a big increase in funding over the past few years, but I am interested to know what system the Department is using to assess future demand for mental health services. In my experience, there is huge unmet demand in my area that is not met by counselling services. More investment and support are needed to help people get through what can be a traumatic period in their lives.

The Parliamentary Under-Secretary of State for Health (Mr. Ivan Lewis): My hon. Friend is right that mental health services are crucial. The World Health Organisation has said that mental health services in Britain are better funded, better structured and better supported than those anywhere else in Europe. In London, we spent £26.3 million on mental health in 2002-03, and we are now spending £75.7 million. We have asked local authorities and primary care trusts in every locality to conduct joint population needs assessments to identify the future need for mental health services. We are also significantly expanding access to psychological therapists, which will be crucial in terms of mental health and primary care.

Norman Lamb (North Norfolk) (LD): In view of the horrifying level of admissions to hospital for alcohol-related reasons, which has been highlighted today, I want to raise the issue of the impact of violence on accident and emergency staff. It is surely intolerable that staff regularly suffer abuse, threats and violence as a result of alcohol-induced behaviour. Does the Secretary of State endorse the approach adopted in the Royal Bolton hospital, where through co-operation between police and A and E staff, patients who behave in that way face the possibility of on-the-spot fines or prosecution? The pilot appears to have been very successful in reducing violence against staff.

Alan Johnson: I endorse that approach. The hon. Gentleman knows that recent Home Office legislation—I cannot remember the exact title—introduces a new NHS power to remove people who are causing low-level nuisance in A and E, which can escalate into the kind of violence that he mentions. The power will be available once that Bill has received Royal Assent. Until then, I am sure that the initiative that he mentions will be copied elsewhere.

T6. [220365] **Andrew Selous** (South-West Bedfordshire) (Con): The Secretary of State knows that the NHS is fortunate in having a number of national centres of excellence, such as the Royal National Orthopaedic hospital at Stanmore. It has recently come to my attention, however, that practices at district general hospitals do not always reflect the expertise of the national centre. I ask the Secretary of State to investigate whether the knowledge of the top surgeons at the national centres is being passed down to district general hospitals, so that patients do not have operations that they should not have and that money is not wasted.

The Minister of State, Department of Health (Mr. Ben Bradshaw): I will happily do that. I reassure the hon. Gentleman that we are working closely with the all-party specialist orthopaedic services and hospitals group, of which he may be a member; if not, I suggest that he joins. It is important that the expertise that he has mentioned in specialist hospitals is disseminated to hospitals locally and that people are treated in the right hospital for a particular condition. If people have a particular condition, they may need the specialist care that he has discussed.

Ms Dari Taylor (Stockton, South) (Lab): Researching drugs and introducing new products is a fast-changing activity. Does the Minister accept the belief that the National Institute for Health and Clinical Excellence is not geared up to respond equally quickly? As a consequence, many patients believe that a drug is available, but not in their locality.

Alan Johnson: My hon. Friend is right. We have taken measures to speed up the NICE process, not least by ensuring that the process can begin before a drug is licensed, rather than waiting until the licensing process is complete. The point is very important. She will have seen in the recently published constitution for the NHS a real emphasis on giving a right to patients to access NICE-approved drugs and treatments, but the process by which those become available must be speeded up, which is a large part of the Darzi review.

T8. [220367] **John Bercow** (Buckingham) (Con): Given that the list of medical exemptions to prescription charges was drawn up as long ago as 1968 and that the first case of HIV/AIDS in the United Kingdom was diagnosed only in the 1980s, does the Secretary of State agree that it would now be timely to update the list and add HIV/AIDS to it?

Alan Johnson: That is one of the purposes of the review to which my right hon. Friend the Member for Rother Valley (Mr. Barron) referred earlier. The review of prescription charges is to look again at that 1968 list to see whether we need to remove any of the illnesses that qualify for free prescriptions, or, as the hon. Gentleman suggests, add to the list.

Speaker's Statement

12.30 pm

Mr. Speaker: It may be for the convenience of the House to know that the Prime Minister has suggested to me that I convene a Speaker's Conference. The following terms of reference have been agreed through the usual channels:

> "To consider and make recommendations for rectifying the disparity between the representation of women and ethnic minorities in the House of Commons and their representation in the UK population at large; and to consider such other matters as might, by agreement, be referred to for consideration."

It is proposed that the Conference will be set up as a Committee of the House. A motion to establish the Conference as a Committee of the House will be tabled by the Government in October for decision by the House.

Iraq

12.31 pm

The Prime Minister (Mr. Gordon Brown): Following my visit last weekend to Baghdad and Basra, I would like to update the House on the latest developments in Iraq.

Let me start by paying tribute to the British servicemen and women who have served in Iraq with distinction since March 2003; in particular, I pay tribute to those who have given their lives in service of our country. I know that the whole House will join me in honouring the memory of the fallen and saluting the courage of all our military and civilian personnel. The House will also want to know that during my visit I had discussions with Prime Minister Maliki about the British hostages who have been unjustifiably held for more than one year. We want them released immediately, and I will continue to update the House on progress.

As I set out in my October statement, our objective is the creation of an independent, prosperous, democratic Iraq that is free of terrorist violence, secure within its borders and a stable presence in the region—something that is firmly in Britain's interests and in the interests of the world as a whole. To achieve this, we have sought with America and other allies to support the Iraqi Government as they now take on greater responsibility for their own security and safeguarding their new democracy, challenging those—whether terrorists, insurgents or militia—who threaten their citizens and undermine the rule of law. We have also sought to foster democratic and accountable government and support national reconciliation, giving all of Iraq's communities a genuine say in the future of their country, and we have worked to help the Iraqis build their economy and give their people an economic stake in the future.

In the last year, this has led us to pursue the strategy of overwatch, which is to move from a combat role to the training and mentoring of the Iraqi forces and the Iraqi police, to encourage the development of local government and to work with the Iraqis on a Basra economic development strategy.

In recent months, conditions in Basra have shown a marked improvement. Incidents of indirect fire against British troops in the Basra air station have fallen from 200 a month at their peak last summer to an average of fewer than five a month since April this year. As the all-party House of Commons Defence Committee, which has visited Iraq recently, says in its report today, the security situation in Basra has been "transformed".

As General Petraeus and Ambassador Crocker confirmed to me in Baghdad at the weekend, thanks to operations by Iraqi and coalition security forces, violent incidents right across Iraq are at their lowest level since 2004. Sunni groups have now joined the Iraqi and American forces in driving al-Qaeda from areas where it had been able to terrorise the population, and Iraqi troops, with British and American support, have had success against the illegal Shi'a militias, giving the Government of Iraq more control over the country. Of course, this progress—often fragile—cannot be taken for granted. Millions of Iraqis are still refugees, either inside Iraq or in other countries; and the two car bombs that were detonated at the gates of an Iraqi army recruitment centre on 15 July remind us that there are groups still determined to inflict violence.

The most important development is that the improvements that we have seen have been increasingly Iraqi-led. Security responsibility for 10 of 18 provinces has now transferred to Iraqi control, including all four provinces in Britain's area of operations. Iraqi security forces are now taking the lead in maintaining security and confronting all those who perpetrate violence, including acting decisively against Shi'a militia in Basra, Sadr City and Amarah; and they have been supported by local people from across Iraqi communities—Sunni, Shi'a and Kurd. Britain has already helped to train more than 20,000 Iraqi army troops, but I want to pay credit to Prime Minister Maliki, his Government and the Iraqi security forces, who have shown bravery and leadership in tackling the terrorists and militias threatening the stability of their country.

The improved security situation has provided a platform for further, essential progress on reconciliation. We have seen not only increased co-operation between Sunni communities and the Iraqi Government in areas such as Anbar and Mosul, and the return of the Tawafuq Sunni party to the Government, but the passage of key legislation that is helping to embed democracy, including the accountability and justice law, the provincial powers law, and now the 2008 budget. The next stage will be provincial elections, reinforcing the political progress made at the national level. Our message to the leaders of all Iraq's communities, and to parties right across the country, is that they must continue to make these right long-term decisions to achieve a sustainable peace.

It is also important, as we move forward, that we see Iraq's neighbours playing a constructive and responsible role in Iraq's future. In particular, Syria should clamp down on the movement of foreign fighters. Iran must stop the provision of arms and training to those who attack a democratically elected Government in Iraq or the coalition forces in Iraq, and the Iraqi people.

We will also continue to focus on helping the Iraqi Government to rebuild their economy and ensuring that the Iraqi people all have a stake in the future. British-led projects in southern Iraq have now helped to deliver enough electricity to supply 800,000 people and water supplies for over 1 million people, with this year another 120,000 people due to get power and 250,000 to gain access to direct supplies of water. Our funding has helped the UN and World Bank to repair and re-equip 1,000 health centres and more than 5,000 schools, and to train nearly 150,000 teachers. With British training and equipment, including upgrades to air traffic control systems, lighting and firefighting, Iraqi personnel are regularly handling more than 20 civil flights a week at Basra airport. British mentoring and support has helped Basra provincial council to gain access to $400 million in central Government funds—money that, in line with the council's increasing ability to take the lead itself, it is now able to spend further to improve infrastructure and to provide the essential public services of power, water, health and education.

Last week, the Basra development commission agreed an outline economic strategy for Basra that sets out plans to encourage private sector and foreign investment. Britain is supporting the new Basra investment promotion agency, which I visited at the weekend, and supporting the Basra development fund to provide loans to small and start-up businesses, which will be key drivers of economic growth and job creation. I am grateful for the work of Mr. Michael Wareing, a leading British businessman, who co-chairs the Basra development commission.

Nine months ago, I set out the key elements of our strategy for handing over security in Basra to the Iraqis and set out the stages for completing the tasks that we have set ourselves. We completed the initial phase on target, handing over Basra to provincial Iraqi control in December. This allowed us to reduce troop numbers in southern Iraq from 5,500 in September to 4,500. After the Iraqi Government launched Operation Charge of the Knights to enforce the rule of law in Basra against the militias, as my right hon. Friend the Defence Secretary explained to the House in April, the military advice was that we should pause the further planned reduction so that British troops, together with US forces, could support the Iraqis in this crucial operation.

Since then, we have responded to changing needs and embedded more than 800 UK personnel within the Iraqi command structure—at divisional, brigade and battalion level. The focus of the 4,100 forces still in southern Iraq is now on completing the task of training and mentoring the 14th division of the Iraqi army in Basra, and it is right that, as we do so, we continue for the next few months to provide support at those levels. Other remaining military tasks—agreed with the Government of Iraq and in close consultation with our US allies—include finalising the preparation of Basra airport for civilian control, and continuing to develop the capacity of the Iraqi navy and marines so that they can protect oil platforms, territorial waters and the port, which are all critical to Iraq's economic future.

It is now right to complete the tasks we have set ourselves. We expect the Basra development commission to publish its detailed economic development plan in the autumn. We hope that local government elections will take place by the end of 2008. Subject to security conditions on the ground, our military commanders believe that the Iraqis will be able to take over development of Basra airport by the end of this year. They also expect the first stage of the general training and mentoring of the combat troops of the 14th division in Basra to be complete around the turn of the year. As the focus shifts from training combat troops, we will move forward to the specific task of mentoring headquarters and specialist staffs, and our military commanders expect the 14th division in Basra to be fully trained during the first months of next year.

As we complete these tasks, and as progress continues in these different areas, we will continue to reduce the number of British troops in Iraq. Of course, future decisions will, as always, be based on the advice of our military commanders on the ground, but I can tell the House today that, just as last year we moved from combat to overwatch, we expect a further fundamental change of mission in the first months of 2009, as we make the transition to a long-term bilateral relationship with Iraq, similar to the normal relationships that our military forces have with other important countries in the region. The Defence Secretary and our military commanders will now work with the Iraqi Government to formulate agreement on the details of such a partnership, including its necessary legal basis, and he will report to the House in the autumn.

I believe it is right that having successfully trained and mentored large numbers of the Iraqi forces, and

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having successfully worked with the Iraqis on a new economic development strategy, we should complete the key tasks that we have agreed with the Iraqi Government: training the 14th division of the Iraqi army in Basra; preparing Basra airport for transfer to Iraqi control; pushing forward economic development; providing the necessary support for provincial elections; honouring our obligations to the Iraqi people; and at the same time—and at all times—ensuring the safety of our armed forces, whose professionalism and dedication have brought us to this stage and whose service to our country I once again commend to the House.

Mr. David Cameron (Witney) (Con): I thank the Prime Minister for his statement.

Is not the absolutely clear message that should go out from across this House that the British armed forces who have served in Iraq and are still serving there are doing, and have done, an incredible job in difficult circumstances? When sitting in the back of one of those transport planes in Basra, you meet people who have been to Iraq three times, four times, five times and sometimes even more. They have given great service and the whole country can be incredibly proud of them. I join the Prime Minister in praising the Iraqi army and Prime Minister Maliki for imposing the rule of law, and for doing the important job of taking on the militias. The Prime Minister was quite right to mention that.

On the question of troop numbers, clearly everyone wants to see our forces withdrawn from Iraq as soon as it is practical to do so, but does the Prime Minister agree that, looking back over the past year, we can see two important lessons to learn? The first is that we should not make premature announcements about troop withdrawals that cannot then be delivered. Instead, we should set the conditions that need to be met to achieve our objectives, and the troop withdrawals can take place when they have been made. The Prime Minister said last October that

> "we plan from next spring to reduce force numbers in southern Iraq to a figure of 2,500."—[*Official Report*, 8 October 2007; Vol. 464, c. 23.]

Yet currently—for good reason—there are more than 4,000 servicemen and women stationed in Iraq. Can the Prime Minister clarify the figures for Operation Telic as a whole? When servicemen and women serving at sea are included, the figure is more than 6,000. Can the Prime Minister confirm that a combination of written answers and the Ministry of Defence website suggests that the figure has actually increased since October, when the Prime Minister promised that 1,000 troops would come home by Christmas?

The Prime Minister *indicated dissent.*

Mr. Cameron: He says it is not true; it would help if he gave us simple, consistent, practical figures.

That brings me to the second lesson, which is the need for the Government to be as clear and transparent as possible on troop numbers. Is it not the case that over the past few days we have been in danger of hearing two quite contradictory things? On the one hand, the Prime Minister has said that he is against any artificial timetables for withdrawing the troops; on the other hand, Downing street sources have been reported as saying that he supports a 16-month timetable for withdrawal. Does the Prime Minister agree that we are discussing not abstract numbers and abstract announcements, but people with families and responsibilities who are already coping with the consequence of overstretch and who deserve the very best treatment—not spinning over numbers and announcements?

Can the Prime Minister clear up one wider issue on Iraq? The UN mandate for our presence there expires in December, and the Iraqi Government are not seeking a fresh UN mandate. In his statement, the Prime Minister mentioned seeking a fresh legal basis for our troops. Can he tell us a little more about that? Is it being negotiated in parallel with the United States? When will the negotiations begin? Is he absolutely happy that they will be concluded before the UN mandate runs out, and that there will not be a gap between the two legal bases? It is important to straighten that out.

As for economic development, the Prime Minister spoke of accelerating economic reconstruction. Can he tell us when he expects there to be basic amenities such as reliable electricity and clean running water for the whole of Basra city? While there are clearly improvements in security there, which are very welcome, can he confirm that the provincial reconstruction team is still based with British forces at the air base? Can he also tell us what prospect there is of a move to Basra proper, and in what circumstances it could take place?

The Prime Minister mentioned the hostages in Iraq. The whole House will wish to call for their release, and the Government know that they have our support in doing all that they can to make progress on that vital issue.

On the last occasion when we discussed this, the Prime Minister agreed with our view that there should be an inquiry to enable us to learn the lessons of our involvement in Iraq. Does he agree that the argument for delaying the start of that inquiry is becoming weaker and weaker, and that he really should tell us when he will get on with it?

Let me turn to the influence of Iran on Iraq. Can the Prime Minister give us the current assessment of Iranian involvement, and its impact on security and stability? On the issue of sanctions against Iran, he said in November that Britain would

> "lead in seeking tougher sanctions… at the UN… including on oil and gas investment".

Last month he said that action would

> "start today for a new phase of sanctions on oil and gas".

Will he confirm that, as we speak, there are still no sanctions on oil and gas? Is he absolutely confident that if there is no positive response to the latest diplomatic offer within two weeks, sanctions will be imposed?

I should be grateful if the Prime Minister addressed one final issue relating to statements such as this. I have asked him this before. It is essential that the British people are kept up to date at regular intervals. Will the Prime Minister consider again our call for, at least, full quarterly reports on progress in Iraq and Afghanistan so that we can be given clear statements, on the record, on troop numbers and progress on the ground? Is that not the only way of ensuring that everyone, especially those serving on our behalf and their families, knows exactly where they stand?

The Prime Minister: I join the right hon. Gentleman in thanking our armed forces for their professionalism and dedication. I think it true to say that no Ministers have come to the House more frequently to make statements about the developing situation in Iraq than have I, the Defence Secretary and the Foreign Secretary, on occasion. I also believe that we have kept the House fully informed of what is happening, by means of written answers and other statements. I am pleased that the Defence Committee has published a report today, to which I shall return in a minute.

I agree with the right hon. Gentleman that we want to press ahead with the economic development of Basra, which includes the provision of electricity and water. As I have said, 800,000 people have electricity and 1 million have water, but more money has been pledged both by us and by the other organisations involved. I also agree with the right hon. Gentleman that we will need a legal basis for continuing our presence in Iraq after December this year, and that is precisely what will be discussed in the negotiations in which the Defence Secretary and our commanders will engage with the Iraqi Government. Of course, as the right hon. Gentleman would expect, when I met Prime Minister Maliki at the weekend I discussed exactly that issue, and how the talks would move forward.

The right hon. Gentleman mentioned the figures relating to troop numbers. We completed the first stage of the reduction in numbers from 5,500 and 4,500, but it was right to pause when the advice on the ground was that Prime Minister Maliki and Operation Charge of the Knights were intent on excluding all the militias from Basra. We wanted to give, as did the American forces, the support that we could to what was a successful operation—and now recognised to be successful—to exclude the militias from the area of Basra. It was right to learn the lessons of Charge of the Knights, which were to take into account the pressing need for further training of the Iraqi army. So nearly 1,000 troops a day are now working with the Iraqi army, embedded with it and doing a great job—I met them at the weekend—advising, mentoring and preparing it for taking over greater responsibilities in the future. We have now agreed a new set of tasks that the British Army will work with the Iraqi army to complete.

We made the right decisions to come down from 5,500 to 4,500. I said at the time—the right hon. Gentleman did not give the full quotation—that we would take the decisions that were necessary

"in the spring of next year—and guided as always by the advice of our military commanders".—[*Official Report*, 8 October 2007; Vol. 464, c. 23.]

It was right to pause the reduction in numbers. If any evidence is needed to that effect, let us look at today's all-party Select Committee on Defence report, which says, as a result of those two changes that were made—those on the Opposition Front Bench should recognise that—that

> "We were enormously impressed with what we saw in Basra".

The report continues:

> "The UK MiTTs"—

the military transition teams, which we brought in after Charge of the Knights—

"are doing an excellent job in enhancing the capacity and self-sufficiency of the…Army. Their work is vital to the future of the Iraqi Security Forces and…to stability in southern Iraq. The contrast with what we saw last year is stark and profound, and the MoD must continue to support the MiTTs in what will inevitably be a medium-to long-term project."

The decisions that we made on the advice of the military commanders on the ground were the right decisions. I am sorry that the right hon. Gentleman wishes to make political capital out of them, because it was right not only that we reduced the numbers at the time we did but that we paused so that we could support Operation Charge of the Knights. It was right that we changed our tactics so that we were in a position to embed our troops in support of training the Iraqi forces.

It is also right—this relates to the final questions that the right hon. Gentleman asked—that we work to a long-term bilateral relationship with the Iraqi Government. The discussions were about how we can give bilateral support to the Iraqi forces over a period of time. We will complete the work at Basra airport soon, and we hope to hold local government elections in the near future. The economic development plan will be published with the support of the British Government and funds that we are providing, and the work of training the forces will be completed in due course. It is right, therefore, to move to what is a change of mission, and that is a new bilateral relationship with the Iraqi Government, which I hope all parties in the House will support.

Finally, I have already said that this is not the right time for us to consider an inquiry. The troops are there; we have 4,100 troops on the ground. The whole focus of the Ministry of Defence is on completing the work that we have started. That is the right position for the Government to be in.

Mr. Nick Clegg (Sheffield, Hallam) (LD): I would also like to thank the Prime Minister for his statement and to salute the valour, the skill and the perseverance of the troops, and the courage of their families. Let us also not forget the courage of the families of the British hostages who are still held in Iraq.

I welcome, of course, the proposal to bring our troops out of Iraq. Their continued presence there contributes increasingly little to Iraq. Since withdrawing to the Basra air base, we have effectively become impotent, defending ourselves and little else. I am sure that the Prime Minister would agree that the major indirect effect of our deployment is to stretch our overall military capability and so constrain the success of our efforts to bring stability to Afghanistan. I regret that there is still no real clarity in detail on when we will finally leave. That continues the odd nod and wink strategy that has guided our approach to Iraq for some time. Such uncertainty about timing is unfair on our troops, unfair on their families and, of course, unfair on the Iraqis. *[Interruption.]*

Mr. Speaker: Order. The right hon. Gentleman is entitled to be heard, but there is too much in the way of private conversation in the Chamber, which is very unfair.

Mr. Clegg: Why should the families of our troops or the troops themselves believe the proposed withdrawal plan, given the confusion that the Prime Minister created—confusion that has not been explained today—when announcing a timetable for withdrawal last October that was never implemented in full? I am told that part of the reason for that is concern about sensitivities in

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the White House—that the Americans do not want to see us withdraw from Iraq. Does he agree that it is in America's interest to release us from our obligations in Iraq, precisely so that we can do the job that we need to do in Afghanistan?

Can the Prime Minister also provide us with an update on the total costs and projected costs of our commitment in Iraq? At a time of increased economic woes here at home, the cost of our misguided engagement in Iraq is of considerable public interest. As we draw our troops down from Iraq, will the Prime Minister assure the House that we will step up our presence in Afghanistan? When will he start deploying more resources to that vital conflict? When will he start moving the vital equipment needed, such as armoured vehicles, out of Iraq to the front line in Helmand?

Finally, it is impossible to discuss Iraq without mentioning Iran. Our troops' safety in Iraq and Afghanistan is intimately bound up with Iran's influence. The Prime Minister has just come back from Israel, where he rightly condemned Iran's threats to that country. However, will he learn the lesson of our disastrous tacit support for Israel's incursion into Lebanon two years ago and make it clear to the House today, and to Israel and the country at large, that he will not support, even tacitly, any unilateral Israeli military strike in Iran? Two years ago, the then Foreign Secretary, the right hon. Member for Blackburn (Mr. Straw), said that an attack on Iran would be "completely nuts". Does the Prime Minister agree?

The Prime Minister: Let me correct the right hon. Gentleman on a number of important facts. First, we have announced new numbers and extra support for Afghanistan. Secondly, the figures for the cost of our involvement in Iraq are published regularly. As I understand it, £3.6 billion in urgent operational requirements has been allocated over these last few years.

Thirdly, the right hon. Gentleman comments on the work that the forces in Iraq are doing, but let me repeat what the Defence Committee said this morning:

> "The larger the military training commitment we can maintain, the greater will be UK influence in Iraq, and in the region as a whole, as Iraq recovers its position as a wealthy and powerful Middle East nation."

The importance of our training effort is not simply that Iraqi troops are better able to deal with their own security, which I hope he would support, and to take responsibility themselves, but that people can see that this is long-term influence in Iraq, which is to the benefit not just of Iraq and the region but of our relationship with Iraq for the future. I hope that he will reconsider his view on this matter. The training function that is being carried out by our forces in Iraq is welcomed by the Iraqi forces and is vital in making them able to conduct their own operations and, therefore, enabling us to release the things that we are doing, allowing them to get on with their work.

As for Iran, let me make it absolutely clear—I will answer in more detail on Iran—that we have supported three United Nations resolutions on sanctions, and we have also taken action in the European Union. We will not hesitate to take further action on sanctions, including on oil and gas. We took action in the past few weeks on Bank Melli, and we are determined to show the Iranians that they have a choice. Their choice is that they can work with us, gain access to civil nuclear power and play their part as a responsible member of the international community or they can face isolation from the whole of the international community, as a result of their failure to honour what they promised to do under the non-proliferation treaty and withdraw from their programme on nuclear weapons.

That is a clear choice, and that is what the discussions of the E3 plus 3 group are all about. That is what was being discussed at the weekend. We await an answer from Iran. The important fact is that Iran faces that choice. I do not rule out any options in relation to Iran, but the path ahead, which I support, is one of negotiations backed up by sanctions. The more sanctions that we have to impose in response to Iran's attitude, the more we will have to do, and I believe that we will have the whole of the international community behind us.

Tony Lloyd (Manchester, Central) (Lab): Does my right hon. Friend agree that in the end the most sensible way of combating the malign influence of Iran is by ensuring that the Iraqi people, particularly in the south, have confidence in the future, which means continuing the efforts to invest in public services and the economy? He has already told the House what the British Government are doing in that context, but will he outline what steps are being taken by our European partners to ensure that economic burden sharing takes place?

The Prime Minister: The important point to recognise is that Iraq is a potentially wealthy country. It has produced more oil in recent months, having reopened oil production that was closed after the fall of Saddam Hussein, and it is in a position to develop its oil reserves even more. Part of our Basra development strategy is to ensure that Iraq's oil resources are developed to the full, and we want other countries to be involved in the process.

My hon. Friend asks about the European Union. We have called a Basra investment conference and we have worked with people from all EU countries to make that happen. We are behind the Basra development commission, which is trying to get new investors into Iraq. I am sure that the combined work of the World Bank and the UN to provide help for hospitals, schools and infrastructure such as water and electricity, together with our push to get new investment into Iraq, will be crucial for the future. We are prepared to continue working with the EU on all those matters.

Mr. James Arbuthnot (North-East Hampshire) (Con): I welcome the statement with no reservation whatever. Does the Prime Minister agree that the transformation that the Defence Committee saw when we visited Basra this month provides some reassurance to our armed forces that the great sacrifices they make on our behalf are not made in vain and lead eventually to some improvement in the world?

As for the figures that the Prime Minister was kind enough to mention in relation to the Defence Committee report, I agree that it was right to maintain the numbers of our armed forces in Iraq at about 4,500 during the spring. What was wrong, if I may put it gently to him, was announcing, in response to the Leader of the

Opposition, the figure of 2,500 in the autumn. Let us put that behind us, however, and say that the most important thing now is to continue to build and train the Iraqi forces in precisely the long-term relationship that the Prime Minister described in his statement.

The Prime Minister: I am grateful to the right hon. Gentleman. I know that he has visited Iraq in the past few weeks and was able to walk on the streets of Basra and see for himself the change in security in the town itself, as well as in the region more widely. I believe that the Defence Committee report will be regarded as an extremely important document. It shows that the training function agreed with the Iraqi authorities is working, and it shows the value of continuing that training function so that we can properly complete the task.

I can tell the right hon. Gentleman that all the figures announced to the House were based on the best advice of our military commanders at the time. It is true to say that we could have reduced our troops further had it not been for the operation carried out by Prime Minister Maliki—which turned out to be the right way of getting the militias out of Basra—while at the same time, by embedding our forces with the Iraqi forces, completing the training processes in a better, more efficient and more expeditious way than before. As the Defence Committee's report shows, embedding our training groups in the Iraqi forces has been the right thing to do and has been very successful. We look forward to the day when, as a result of all the advice and mentoring that we have been able to give them, the Iraqis can take over full responsibility for the security of all areas of Iraq.

The negotiations on the long-term bilateral relationship between Iraq and the United Kingdom, which the right hon. Gentleman also asked about, will continue over the summer and autumn months. I hope that when the House returns we will be able to report on their success. It is important to understand that the Iraqis want to receive support in a number of areas where we are giving specialist advice. The relationship will not be too dissimilar to one we have with other countries in the region, and it will be to the benefit of the UK, representing, as I have said, a further fundamental change of mission. I think that it is right for the Iraqis to have control over their own country's security, and it is also an acknowledgement, as the right hon. Gentleman said at the outset, of the great sacrifice made by British troops and of their professionalism and dedication. That is what has brought us to the point where we have been able to report progress today.

Mr. Dai Havard (Merthyr Tydfil and Rhymney) (Lab): The Prime Minister will know that I have visited Iraq three times in the past 12 months, most recently with the Select Committee only a few weeks ago, so I can attest to the changes taking place there. In consolidating those changes, my right hon. Friend refers to the bilateral arrangements to be struck with the Iraqis in parallel with those of the United States. We currently operate a detention and internment facility, whose legality is bound up with a UN resolution. The ending of that resolution is clearly important for the continuation of the facility and the protection of our forces who operate it. I have visited it on several occasions over the past few years, so I can say that it is a very well run facility, validated by the Red Cross. However, it is also important as we continue to help the Iraqis with their reconciliation—

Mr. Deputy Speaker (Sir Michael Lord): Order. May I say to the hon. Gentleman, and to the House more generally, that he is yet to put a question? Time is limited and there is a lot of business to get through today. I am sure that the Prime Minister wants to respond to as many questions as possible, so it helps if they can be brief and to the point. That will enable many more Members to be satisfied; otherwise, I am afraid that many Members will be unhappy.

The Prime Minister: I thank my hon. Friend for visiting Iraq, for informing me of what he saw while he was there, and for his advice. He is absolutely right that the International Committee of the Red Cross has inspected the detention facilities and found them to be very good. He is also right that part of a UN resolution covers our presence in Iraq. That will be one of the issues to be discussed during negotiation on the bilateral relationship that we will have with Iraq in the future.

Mr. Iain Duncan Smith (Chingford and Woodford Green) (Con): As one who has supported our Iraq operations from the beginning, I am enormously pleased that the Prime Minister has been able to make this statement today. I believe that our troops should remain there until they are no longer required; there should be no artificial timetables.

We all know that the real pressure on our troop numbers comes from the pressure to deploy into Afghanistan. Is not the reality that that pressure draws more on us because our allies in Europe, such as the French and the Germans, still refuse point blank to do what they voted for, which is to get into places like Helmand and provide some proper support for the Afghan Government? Is the Prime Minister minded to urge President Sarkozy to stop travelling around Europe telling everyone to raise a defunct treaty, and instead attempt to bully them into putting some troops on the ground to support us?

The Prime Minister: A few months ago, the French announced that they would put an extra 800 troops into Afghanistan. They will put them in eastern Afghanistan, which is a dangerous region, as well as the region where we are working, Helmand. That will enable American marines to come down into Helmand, so the reconfiguration that follows will be to the benefit of British troops. We have increased the number of troops available in Afghanistan and we are meeting our responsibilities in respect of equipment and staffing. We will continue to do what is right in both Iraq and Afghanistan to make sure that there is proper protection for British forces, who are doing a sterling job in both countries.

Mr. Kevan Jones (North Durham) (Lab): Three weeks ago, I visited Basra and Iraq for the sixth time with the Select Committee, and I can confirm that the security situation has been transformed. We met the training teams with the 14th division of the Iraqi army in Basra and the navy training teams down at Umm Qasr, and I have to say that they are doing a fantastic, first-rate job. I urge my right hon. Friend to resist those asking to have those troops withdrawn prematurely merely for the sake of the numbers, as that would be a great mistake not just for the troops, but for the future of Iraq.

The Prime Minister: That is exactly what I am saying. The training function that we have agreed to carry out will be completed. Simultaneously, we are working on the economic development front in Iraq and a plan will be published in the next few months. We are working to transfer control of the airport to civilian use, which should happen by the end of the year. We hope—there is a vote in the Iraqi Parliament today—that provincial local elections will be announced later in the year. We are intent on completing the job that we started. The job that we have been doing over the past year, intensified in recent months, has involved embedding our troops with the Iraqi forces, and we believe that we will complete that job to our satisfaction and theirs.

Mr. Ian Taylor (Esher and Walton) (Con): As one of those who did not approve of our invasion of Iraq, I nevertheless welcome the Prime Minister's statement today and the progress that is at last being made there. However, will he comment specifically on the stories that al-Qaeda members who are currently in Iraq are moving back to the Pakistan border with Afghanistan? That will create serious problems unless the Government of Pakistan genuinely try to crack down on them. If they do not, those terrorists will increasingly cause problems for our troops in Helmand province.

The Prime Minister: The hon. Gentleman refers to the comments that General Petraeus made. There has been a great deal of success in some of the provinces in Iraq in forcing out those people who were associated with al-Qaeda. It is also true that there is a new worry about the Pakistan border and the infiltration of al-Qaeda into Afghanistan. We take that threat very seriously indeed, and it has led us to have conversations with the Pakistani Government about what they are doing to ensure law and order in the regions. I accept that, as al-Qaeda is forced out of Iraq, other problems will arise, but I hope that the hon. Gentleman acknowledges that we are making changes in Afghanistan to deal with a new function of the militias that are fighting us: instead of direct combat, they are fighting in a guerrilla form, which results in casualties. We must change our tactics so that we are properly prepared to tackle them.

Andrew Miller (Ellesmere Port and Neston) (Lab): Capacity building in the Iraqi navy is critical, but is any work going on in the investment conference to tackle the design and layout of the oil platforms? They are a little antiquated, to say the least, and their design makes them vulnerable.

The Prime Minister: My hon. Friend is absolutely right. I pay tribute to all the armed forces training teams, who do not simply train the Iraqi army but undertake important work in naval exercises and in protecting the safety and security of the oil platforms. We are working with the Iraqis to help them to develop an oil industry, which should be one of the most successful in the world. Iraq has major oil reserves and it needs support for their development. The Basra development commission is intent on helping to develop not only the oil industry, but related industries around the port. I believe that British businesses, too, will see an opportunity to work with the commission on that.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): Did the right hon. Gentleman, when speaking to British servicemen, remind them that much of the fighting that has taken place was due to the Government's disastrous decision to disestablish the Iraqi army and police service? Did he remind them that, when they go to Afghanistan, they will be in much greater danger because of the Government's failure to give them proper equipment, and the Government's decision to deploy into Helmand province without getting proper assurances from other NATO allies about reinforcements?

The Prime Minister: First, let me tell the right hon. and learned Gentleman that we are training the Iraqi army and working with it so that it can build up its strength. We have already trained 20,000 members of the Iraqi armed forces, and the work in hand for the next few months is to train several thousand more. That is an important way to show that the Iraqi army will be suitable, able and equipped to carry out its tasks.

As for Afghanistan, the right hon. and learned Gentleman, like me, recognises the difficulties that all countries face there. We are dealing with an insurgency and problems that have arisen from a change of tactic by the Taliban, but I believe that our armed forces are tackling that with great effectiveness and success. As for equipment, we have been able to meet the urgent operational requirements of the Army and the other forces. We have put aside, as a matter of policy, money to meet all the urgent operational requirements, which have run into substantial figures in the past few years. When the Army, the Navy or the Air Force make requests for us to meet those urgent operational requirements, we do our best to fulfil them.

Mr. David Crausby (Bolton, North-East) (Lab): Last year, the Prime Minister told the House that we planned to move to the second stage of overwatch, which would focus on training and mentoring. That plan appears to be in place. May I therefore urge him to take no notice of those who would have us lose our nerve now? Will he ensure that any second stage of overwatch is properly resourced, so that Britain continues to have a substantial influence for good in the region in the late stages of the campaign?

The Prime Minister: I am grateful to my hon. Friend, who is also a member of the Select Committee. Again, I pay tribute to members of the Committee for their non-partisan work in going to Iraq, examining the facts, reporting on them and, I believe, giving a full and fair account of how the training function that we agreed several months ago works to the benefit of the Iraqi army in the short term, and makes for greater and better relationships between us and the Iraqi people for many years ahead. The Select Committee is right to say that we should work to finish the job of training. That is exactly what we intend to do: to finish the task that we started.

Mr. Bernard Jenkin (North Essex) (Con): I thank the Prime Minister for quoting extensively from our Select Committee report and commend him for demonstrating the political will to see the operation in Iraq through, despite his understandable desire to draw down troops earlier than proved to be possible. However, the problem of overstretch does not go away, as the leader of the

Liberal Democrats pointed out, and there is a question about whether either the commitments or the defence planning assumptions are wrong. Given that the defence planning assumptions have been exceeded in more years than they have not since they were drawn up in 1998, is not it time to revisit them? I doubt that Iraq will be the last place in which we are required to intervene, even if operations in Afghanistan continue.

The Prime Minister: I appreciate everything in the first part of the hon. Gentleman's remarks. We were right to make the decisions that we have made. As his report shows, the training that the Ministry of Defence is undertaking of the Iraqi forces is yielding results—we can see the improvement every week in the Basra area. The improvement is also due to the change of tactics in the west of Iraq.

Of course, at all times we would like to do more with the defence budget, but it will be some 11 per cent. higher in real terms than it was in 1997. We have made major commitments of resources and capital in recent years and the defence budget rises every year. To be absolutely accurate, and to correct something that I said at Prime Minister's Question Time, the UK is the second highest spending nation on defence, behind only the United States of America. That shows that we have continued to make commitments on defence, and we will continue to do that in future. We will of course continue to examine the capital budget and the planning assumptions, but the hon. Gentleman cannot take away from us the fact that the defence budget has continued to rise, or the fact that we have fulfilled the urgent operational requirements of the ventures in Iraq and Afghanistan.

Mr. Gordon Prentice (Pendle) (Lab): How difficult is it for the Iraqi Government to recruit police officers, given that they are regularly targeted, and is corruption, which was endemic, still a problem in the police force? How many people are training police officers in Iraq?

The Prime Minister: My hon. Friend is absolutely right that it is important both to have an open and transparent policing operation in Iraq and that there is no corruption. Anything that leads to corruption is detrimental to the future of Iraq. However, he is wrong about applications to join the police force in Iraq: I am told that there is a waiting list to join. With others, we have trained 20,000 policemen and women, and we will continue to perform that vital training function. Just as we want a properly trained army, we want a properly trained police force that can conduct its duties.

Adam Price (Carmarthen, East and Dinefwr) (PC): Barack Obama has said that he will bring the last American soldier home by 16 months after he takes office. If the Prime Minister had made such a commitment, British soldiers would be coming home this summer, not in the spring of 2009 and 2010. In the light of his refusal to hold a proper inquiry into the Government's Iraq policy, will he explain here and now why, in contrast to the young Senator Obama, he got it so badly wrong about the necessity of the war in the first place, the difficulties of the occupation and, most important, the huge human cost in service and civilian casualties of the worst foreign policy error of any Government in more than 50 years?

The Prime Minister: Yes, I do acknowledge the sacrifice of the British men and women serving in Iraq, and the determination, resolution and commitment they have shown, but the important achievement from that is that Iraq is now a democracy. People voted for an elected Government, children are at school, people are enjoying health care and businesses are starting. That is an achievement. The hon. Gentleman asked about our proposals for the longer term: we want a bilateral defence relationship with Iraq through which we can support that country in the future, and that is exactly what we will be negotiating over the next few months.

Ms Dari Taylor (Stockton, South) (Lab): I ask my right hon. Friend to compliment the contribution of the Territorial Army and reservists in Iraq, especially the personnel of the Medical Corps. Will he outline how we would have managed without their deployment in Iraq, and does he not agree that they have been a tremendous force for good?

The Prime Minister: I know that my hon. Friend takes a great interest in the TA and works very effectively at the local level to support the TA and the cadets who are trained in her area. Many of the 100,000 men and women who have served in Iraq have been TA members. When I have been in Iraq and when I met TA members at a reception for the 100th anniversary of the TA that we held last week, I have been able to thank them for their service—for giving up their ordinary jobs, and for giving their time and expertise to the work of the armed forces in Iraq and Afghanistan. I thank them for what they have done. On the 100th anniversary of the TA, which started in the first world war, it is important to acknowledge the contribution of its members, which has continued throughout that century and is no less great now in the operations in Iraq and Afghanistan. We owe them a huge debt of gratitude.

Mr. Andrew Robathan (Blaby) (Con): Like the Chairman of the Defence Committee, I think it right to maintain our current high levels of troop deployment in Iraq, but it was absolutely wrong of the Prime Minister 10 months ago, when he was contemplating calling a general election and the Conservative party was holding its conference, to make the premature announcement that the troop number would be reduced to 2,500 by this spring. That was done for reasons of naked electoral and political advantage. Will the Prime Minister now apologise both to the armed forces and their families for misleading them—I understand that I am allowed to say that—and to the British people?

The Prime Minister: No. It was right to reduce our armed forces numbers as we changed the task that they performed from combat to overwatch. We reduced the numbers by 1,000 at the time, from 5,500 to 4,500. It was also right to change our tactics, as military commanders advised us about what was happening on the ground in Basra. I have always said, and I repeat again today, that the decisions we make will be made on the advice of military commanders on the ground and by reviewing the situation on the ground. It is right, too, that we continue to embed our troops with the Iraqi forces in order to complete the training function. Notwithstanding what the hon. Gentleman has suggested, I hope that he supports the action we are now taking.

Dr. Nick Palmer (Broxtowe) (Lab): I endorse the comments of my hon. Friend the Member for Stockton, South (Ms Taylor) on the role of the TA. The national mobilisation base in my constituency has worked hard to support that role, and we are very grateful for its efforts. With Iran's current position up for review, does the Prime Minister agree that as well as talking about the sanctions we will impose if it takes the wrong direction, it should be made clear that if Iran is willing to support the Shi'a-led Iraqi Government's efforts to achieve peace, that will be an important step towards normalising its relationship with the rest of the world?

The Prime Minister: I hope that Iran will be able to show that it does have a continuing and settled interest in a stable Iraq. I also hope that any attempt to support militias coming across the border to cause damage in Basra or elsewhere will be seen by the international community and by the Iranian Government as totally unacceptable. We continue to try to negotiate with Iran a successful way through the problem that has been created by Iran's breach of the non-proliferation treaty and defiance of the international community by attempting to gain nuclear weapons. I repeat that Iran has a choice: it can co-operate and gain access to civil nuclear power, or it can face isolation outside the international community.

Mr. Crispin Blunt (Reigate) (Con): I do not think we can escape the fact that our involvement in Iraq over the past five years has come at an appalling political, economic and military cost to the United Kingdom. As the need for Operation Charge of the Knights made clear, there are still many lessons to be learned. When the Prime Minister went to Iraq in October, he did not predict that the Iraqis would have to go in and retake the streets from the militias after we had abandoned them. Will the Prime Minister commission an inquiry to be held at a time when he can be confident of still being Prime Minister?

The Prime Minister: The purpose of Operation Charge of the Knights was to get the militias out of Basra and the surrounding area. The operation was, of course, led by Prime Minister Maliki, but supported by UK and US forces. As a result of it, militias have been cleaned out of the area, but we must remain vigilant about the potential for militias either to come into Iraq from other countries, or to be involved in Basra itself. That is why we must strengthen the Iraqi forces. *[Interruption.]* I have already answered the inquiry question. As the Ministry of Defence and our armed forces are in Iraq at present, and as they are doing vital jobs on behalf of our national security, I believe that now is not the right time to have an inquiry. Let us also remember that four Committees of this House or separate investigations have looked at Iraq over the past few years, and this morning we had new evidence on Iraq from the Defence Committee.

Jeremy Corbyn (Islington, North) (Lab): Will the Prime Minister tell us what discussions he had while visiting Iraq about the probability of permanent British or American bases being established in Iraq and of there being a permanent military presence there?

The Prime Minister: We have no plans for that. What we want is a bilateral relationship with Iraq, whereby we can serve the needs of the country as the Iraqi Government see them, by agreement with the Iraqi Government. As my hon. Friend can clearly see, we are carrying out and discharging responsibilities that are of great benefit to the Iraqi nation. The training of Iraqi forces, support for the navy, and support in other areas that are important for the development of the Iraqi economy are carried out by our armed forces. We will continue to work with Iraq to help to build democracy, ensure security and ensure that Iraqis have a stake in their economic future.

Sir John Stanley (Tonbridge and Malling) (Con): Is it not the case that one of the most disturbing human rights trends in Iraq has been the extent to which the rights of women have deteriorated in parts of the country? The Prime Minister said in his statement that we must honour our obligations to the people of Iraq. What steps will the British Government take to ensure that we honour our obligations to the women of Iraq, given the deterioration in their rights since our invasion?

The Prime Minister: The accounts I have from Iraq, whether from Basra or from Baghdad, are that women are enjoying their freedom in Iraq. That is part of the Iraqi constitution. I will, of course, look into everything the right hon. Gentleman says and get back to him on the issue, but support for the rights of women is, of course, at the centre of the Iraqi constitution.

Laura Moffatt (Crawley) (Lab): Did my right hon. Friend the Prime Minister have an opportunity to speak to forces members about using the resources that are available in Iraq, including those of our Territorial Army people, so that we bring in not only the professionalism of the British Army, but the skills from people's civilian jobs, to make sure that they are recycling and using and reusing every bit of the resources that they so desperately need in Iraq?

The Prime Minister: My hon. Friend is absolutely right, and I know that people from her area are supporting the effort in Iraq. The work that has been done by our provincial reconstruction team and the Army in support of healt[illegible]ucation and economic projects and getting the port in Iraq working shows the blend of skills that the TA and others in the Army have to offer the people of Iraq. I think it is true to say that the Army has played a very important role not only in the training of the Iraqi forces and in combat, but in the economic and social reconstruction of the country.

Mr. John Redwood (Wokingham) (Con): What action is the Prime Minister taking to persuade Senator Obama that he is wrong to want an early withdrawal from Iraq and to want a substantial strengthening of the position in Afghanistan—which is the opposite of the Prime Minister's policy—given that the Senator might be President before the end of the year?

The Prime Minister: I had the chance to talk to Senator Obama about these issues when I met him in America, and I agree with him about Afghanistan: we must do more there, which is why we increased our numbers in that country to help the coalition effort. That is also why I have said all along that there should be proper burden sharing in the coalition, so that other countries are in a position to contribute to the effort in Afghanistan as well.

I accept that Afghanistan requires long-term action, not only at military level, but in training the police, in ~~making~~ sure that there is economic reconstruction and in giving people in Afghanistan a stake in the future. All of that is part of the strategy being pursued by America and it is what Senator Obama has said we need to do. We need to concentrate on how we can make sure that the future of Afghanistan is one where there is more peace, where we have dealt with the Taliban and al-Qaeda and where there is economic and social reconstruction of the country.

Mr. Neil Gerrard (Walthamstow) (Lab): The Prime Minister referred to the millions of Iraqis who remain refugees. Did he have any discussions on the question of returning asylum seekers to Iraq? Does he accept that many of those who fled Iraq fear that it would still not be possible to guarantee their safety in many areas of Iraq if they were to be returned now?

The Prime Minister: I think it is true to say that many of the refugees who left Iraq are now returning; the Defence Secretary has told me that 600 doctors recently returned to Iraq. There are an estimated 2 million refugees, many of whom are in Jordan and surrounding areas, and, of course, it is important for the future of Iraq that those people who have skills to offer to build its economy and society can return as soon as possible.

Mr. Mark Lancaster (North-East Milton Keynes) (Con): I am a member of the Territorial Army that the Prime Minister is so keen to praise and someone who is proud to have been on operational service three times in the past eight years of this Government, and, as such, he has made my blood boil today. Everybody knows that last October's announcement of troop withdrawal numbers was a cynical, political manipulation. Will he show just an ounce of the courage being shown by our brave servicemen and women and apologise to the House today?

The Prime Minister: Every decision that we have announced has been based on the best military advice that we can have. It was right to reduce the numbers from 5,500 to 4,500. The reason why we did that was because we were moving—I suspect that the hon. Gentleman agreed with this policy—from direct combat to overwatch. It was also right to listen to the advice of military commanders when the situation changed on the ground in Basra—I have always said that—and to take the right decision, which was to support the training of Iraqi forces after the operation. I think that he actually supports the decisions that we made.

Mr. Greg Hands (Hammersmith and Fulham) (Con): The Prime Minister quoted at length the report from the Defence Committee, but could he also take a look at another recent publication—the annual report and accounts of the Ministry of Defence? They show the worrying condition of our armed forces; fewer than half of our military units are able to deploy in an emergency, and that is the lowest proportion ever recorded by the MOD. When will the Prime Minister examine overstretch in our armed forces and do something about it?

The Prime Minister: What the hon. Gentleman is saying reflects the fact that large numbers of our troops are on operations, in Iraq and Afghanistan, as well as in other parts; they have been in parts of Europe, as well as in the Falkland Islands and in Ireland. He might also acknowledge, as the White Paper acknowledged last Thursday, when we showed what we can do to help our armed forces and acknowledge the service that they give, that we have increased their pay; that there are more resources for our military personnel; that we have increased the hospital and health provision that is available; and that we have made sure that accommodation is properly invested in for the first time. All those things are happening because we recognise the contribution that our armed forces make and we are trying to do our best by them.

Mr. Peter Bone (Wellingborough) (Con): I congratulate the Prime Minister on the positive statement that he has been able to make and on the work that the Defence Secretary has done in this area. May I ask the Prime Minister specifically about one of the key tasks to which he referred? Why has there been a delay in providing for local elections, and could he update the House on what is going to happen?

The Prime Minister: I am grateful to the hon. Gentleman for that. I hope that the whole House will want to acknowledge the work that the Defence Secretary has done, both in visits to Iraq and Afghanistan, and in supporting our troops. The provincial elections require a law to be passed by Iraqi Members of Parliament. I understand that that is probably being discussed today, as we are discussing Iraq in this House, by Members of the Iraqi Assembly. They have to make the decision to pass the law—as they must make the decision on the hydrocarbons law. I hope that they will do that, and that will lead to the provincial elections taking place.

Mr. Graham Stuart (Beverley and Holderness) (Con): What measures have been taken to improve the security around the foreign visits of the Prime Minister's team, given the loss by one of the team of a BlackBerry in Shanghai earlier this year?

The Prime Minister: I want to acknowledge the great work that the security forces do in protecting all those who visit Iraq, Afghanistan and other areas. I think that the whole House will want to acknowledge the work of our security services.

Mr. John Baron (Billericay) (Con): Any escalation in the tension between Iran and Israel will have implications for our troops in Iraq. Given the recent indications that the Israelis are considering a unilateral military strike, can the Prime Minister confirm, once and for all, what the British Government's position would be if such a strike were to occur?

The Prime Minister: I have already outlined the priority that we attach to the negotiations that are taking place between the E3 plus 3 group and Iran. It is important to recognise that the diplomatic effort that is being made is to get Iran to the table to discuss the proposals that we have made. We are prepared to increase the sanctions that we place on Iran if it is not able to reach an agreement with us. That is the chosen method of the

[The Prime Minister]

whole international community, and I hope that the hon. Gentleman will acknowledge that the international coalition that includes China and Russia, as well as the European Union and America, is one that has held together through three resolutions. I believe that if Iran gives a negative answer to the proposals that have been made, we will impose further sanctions on Iran, and I hope that the whole House would support that.

SATs Testing

1.35 pm

The Secretary of State for Children, Schools and Families (Ed Balls): I would like to update the House before it rises on the delivery of this year's national curriculum tests, following my appearance before the Select Committee last week and my letter to its Chairman yesterday. I would like to provide an update to the House on five areas: progress on marking; marking quality and appeals; contractual discussions between the Qualifications and Curriculum Authority and ETS Europe; the Sutherland inquiry; and the future of national curriculum tests. I shall continue to update Parliament regularly over the recess. I will write weekly with an update to the Chair of the Select Committee, copying my letter to Opposition spokespeople and the Speaker and placing a copy in the Libraries of both Houses.

First, on marking, the first priority is to ensure that schools receive their 2008 results in an orderly way, with the minimum of delay. This morning, in a written statement, I provided the House with the latest information that the QCA and ETS Europe have given me on results released to schools. The total of scripts marked and released has now risen to more than 98 per cent. of marks at key stage 2, and at key stage 3 some 88 per cent. of marks are now available—94.1 per cent. in maths, 93.4 per cent. in science and 76.9 per cent. in English. QCA and ETS Europe had made a commitment that all schools would have received their marks on 8 July, and they have both apologised to schools for the delay. I share the frustration and anger of teachers, children and parents about the delays in the release of this year's test results—this should not have happened.

Secondly, on marking quality, I have been advised by Ofqual—the independent regulator of qualifications, exams and tests in England—that the quality of marking is at least as good as in previous years, and justifies the issuing of results. Ofqual has assured me that it continues to monitor the quality of the marking of the tests, and that it will consider the evidence in relation to any problems that are brought to its attention and act accordingly. I shall continue to update Parliament on the progress with Ofqual's work on marking quality. The QCA has extended the timetable for appeals to 10 September or 10 days after the start of term, whichever is later.

Thirdly, QCA has confirmed, in a statement over the weekend, that it is in contractual discussions with ETS Europe following these unacceptable delays. QCA states that it is considering all available options to allow the timely conclusion of the work for the 2008 test series and to secure a successful 2009 programme. The contract with ETS Europe was drawn up and has been managed by QCA, at arm's length from Ministers, to ensure the independence and objectivity of the testing regime. Any contractual discussions are legally a matter for the QCA and ETS Europe. Those discussions are continuing, and they are highly sensitive—commercially, legally and financially. At this stage it is very important and in the public interest that QCA should be able to conclude those discussions in a timely, orderly and rigorous fashion, in order to safeguard the interests of pupils, schools and taxpayers.

I am advised that ministerial intervention or interference at this stage, including public statements intended to influence the outcome of these contractual discussions, would be inappropriate and would jeopardise the public interest. In particular, it is very important that nothing is said to shift responsibility or redress from where it properly falls under the contract. I hope that the House will understand why I cannot comment further at this stage.

Fourthly, following the publication of the terms of reference last week, I can confirm to the House that Lord Sutherland has started work on his independent inquiry. It is important to allow an orderly completion of this year's national curriculum tests, so Lord Sutherland has told me that he intends to collect evidence in August and September before reporting publicly when the House returns in the autumn. The independent inquiry will look at all the issues surrounding the test delays, including the specification and procurement of the contract with ETS by QCA. That will include the role played by Ministers and my Department and the arm's length relationship between the QCA and Ministers and departmental officials in that regard.

Finally, on the wider question of testing and assessment, I have welcomed the Select Committee's recent report and its support for the principle of externally assessed national tests. But, as I said to the Committee last week, the current testing and assessment regime is not set in stone. Indeed, in the children's plan we highlighted the potential opportunities presented by our Making Good Progress pilot, involving 500 schools, where pupils are entered for single-level tests when their teacher judges them to be ready and at the level appropriate for them.

It is important that we evaluate the case for change before making decisions. As I said to the Committee last week, the pilot runs to next July and is being externally evaluated. I have asked for an interim report in the autumn, and I will publish it to Parliament, but we must not return to the situation where school accountability was weak, parents lacked good information about their child's progress and, as a result, many children fell behind in their education and development. That is why it is so important that we complete the delivery of this year's test results, ensure the delivery of the 2009 national curriculum tests and secure public confidence that the system is being appropriately managed, regulated and scrutinised at arm's length from the Government.

I am determined that we learn the lessons of this year's experience. I am confident that the work of Ofqual and Lord Sutherland will be of great value in that regard, and I commend this statement to the House.

Michael Gove (Surrey Heath) (Con): May I first of all thank you, Mr. Deputy Speaker, for finding time before we break up for this statement? I also thank the Secretary of State for taking the opportunity to update us today on the latest twists in this terrible fiasco. I wish to underline our sympathy for the pupils, parents, heads and teachers whose summer has been blighted by the chaos surrounding the marking of the key stage 2 and key stage 3 tests.

Under the American contractor ETS, there have been chronic delays in getting all papers marked, the marking itself has been flawed, with reports of teenagers and cocktail waitresses being approached to help meet deadlines, and papers of widely differing quality being given the same mark. The Secretary of State says that it is no worse than every year. Does not that just underline the incompetence at the heart of this Government when it comes to education?

The Secretary of State rightly acknowledges that this situation is unacceptable, but what parents and teachers want to know is whether he will take responsibility. He has consistently argued that responsibility for this affair rests in hands other than his—at arm's length. But can he confirm that civil servants from his Department—specifically, the director general of schools—were there at the meeting when the contract was awarded to ETS? Can the Secretary of State tell us what, if anything, civil servants told him about that procurement process? Can he tell us what action, if any, he then took to ensure the safe delivery of testing?

When I informed the Secretary of State in the House on 19 May that ETS had a record of missed deadlines and mistaken marking in the US, he confessed he had "no knowledge" of their record—even though he is accountable to Parliament for the testing regime. How could the Secretary of State have known so little about the company to which we were entrusting a multi-million pound contract when his own director general of schools was there when the contract was awarded? The chief executive of the QCA says that he is entirely satisfied with the process that awarded ETS this contract. Is the Secretary of State?

I note what the Secretary of State says about the ongoing contractual negotiations, but does he not agree that when companies with public sector contracts fail to live up to their promises they should not be bailed out by the taxpayer? Does he not agree that any contract signed with a company that means we have to pay them to escape is a contract that could only have been signed by a Government who are neither prudent nor competent?

As soon as ETS took up its contract, examiners started to register their concerns. The standardisation process, which ensures consistent marking, was flawed, with highly experienced markers being failed and other, much weaker candidates, being passed despite registering a worryingly high number of mistakes. Worse, the failsafe system to deal with bad marking—the borderline process which allows for papers to be remarked—was scrapped. Given the high number of complaints of inconsistent and error-strewn marking in this year's tests, how can the Secretary of State have confidence in the quality of marking? Can he give an absolute guarantee that full key stage 2 results will be published on 5 August and key stage 3 results on 12 August? And can he give an absolute guarantee that heads and teachers can be confident that the results generated by ETS will be robust enough to guarantee accurate pupil scores and reliable league tables?

In assessing the credibility of everything that has been said today, it is crucial that we also know just what action Ministers took when the flaws in ETS's operation became impossible to ignore. When was the Secretary of State first made aware that there were major problems with this year's marking and what actions did he take? In March, the chief executive of the QCA warned the Secretary of State that the introduction of "new IT" by ETS carried risks. What steps did the Secretary of State take to reduce those risks?

[Michael Gove]

On 14 May this year, the head of the new exams watchdog Ofqual wrote to the Secretary of State to outline her priorities. In his reply, the Secretary of State said nothing about the importance of getting this year's SATs right, and instead said that the new single-level testing and the diploma programme were the priorities. Why, when teachers and examiners were already warning of problems with the tests, did the Secretary of State not ask the regulator specifically to address those concerns?

On 19 May, I and the hon. Member for Yeovil (Mr. Laws) again raised the concerns being voiced by teachers and examiners. The Secretary of State said that he would monitor the situation closely. Then on 4 July, Ministers had to acknowledge that the problems with marking were so great that the publication of results would have to be delayed. Can the Secretary of State tell us what specific steps he took after 19 May to get SATs testing back on track, what meetings he had, which interventions he authorised and which officials he pursued? Or did he, like an exam candidate who has not done his homework, just cross his fingers, hope for the best and pray that he would not be asked any tough questions?

We all await Lord Sutherland's report with interest, but when the Secretary of State's predecessor Estelle Morris ran into trouble with a marking fiasco, she commissioned a former chief inspector to issue an interim report within a week. Why is the Secretary of State not insisting on similar urgency even now? Is he afraid of the results? Has not his behaviour throughout th[illegible] affair been characterised by indifference, high-handedness and inattention? Is it not the case that his Department failed to ensure that contracts had been awarded properly, failed to heed warning signs and failed to act quickly to avert a fiasco that every teacher in the land could see coming? Do not pupils, parents and teachers deserve better than a Secretary of State who fails the most basic test of all—competence in office?

Ed Balls: There is no doubt in my mind that parents, teachers and pupils deserve better than the service that they have had in recent weeks from ETS Europe and from the QCA. I have said clearly that I very much regret what has happened, and the inconvenience to schools and pupils. Indeed, I share the frustration and anger of teachers, children and parents that this should have happened.

The QCA and ETS have both apologised. However, as I have said, this is a commercial and legal matter, and I will not say anything that either shifts responsibility or redress from where it should properly fall, or that would influence the outcome of the current contractual discussions. What I say in the House today has practical and financial consequences, and for me to indulge in the rhetoric and grandstanding of the hon. Gentleman would be ill-advised and against the public interest: I am not going to do that.

I am happy to answer the many scattergun questions that the hon. Gentleman asked. It is important to answer them now, but we will also have the inquiry by Lord Sutherland, which I set up immediately and which will provide independent answers to all those questions.

The hon. Gentleman asked about the length of time that the process will take. It will take so much time because it is important that we go through all that has happened and get it right. He might not have observed that the difference between this case and the Tomlinson inquiry in 2002 is that there was no contractual, legal or commercial issue at stake in the delivery of those tests. There is such an issue at stake in this case, and that is why it is important that things are handled carefully. Lord Sutherland has said that he wants to work to this timetable. I am happy to let him work to the timetable that he thinks is right to get to the heart of what has occurred.

The hon. Gentleman asked me about the procurement process. That process was handled at arm's length from Ministers. At no point have Ministers seen the contracts drawn up between the QCA and ETS. At no point were Ministers consulted on those contracts—[HON. MEMBERS: "Why not?"] Opposition Members ask why not, but it is not possible for the Government to be accountable for the results of tests while at the same time being actively involved in the management of the marking of those tests. That would not command public confidence. That is why the right way, which is how this has been done for a number of years, is for the contract to be managed at arm's length by the QCA. That is what it did in this case.

I am accountable to the House for schools policy, including the delivery of results. However, the responsibility for the delivery of those results is a matter for the QCA and ETS under contract. Lord Sutherland will look carefully at why that delivery did not happen. Clear processes were followed at the time, including the Office of Government Commerce's carrying out gateway reviews—at least one, carried out two years ago—to ensure that the contract was negotiated in line with the remit set by our Department and in line with best practice in order to deliver efficiency, value for money and the best procurement of the contract. Those processes were given a green light by the OGC and that was reported to Ministers.

All the details of the procurement process, including the role played by Ministers and officials, will be considered by Lord Sutherland in his report. The reality of government is that Ministers do not interfere with the procurement and marking of tests and test results. We have stuck to that fundamental principle.

Earlier this year, there were early difficulties with the marking and with some of the computer programmes for the test results. That was raised with our Department in advance of our exchanges in the House of Commons in May. They were raised in the House on that day, too. I immediately sought reassurances. In the following weeks, the Minister for Schools and Learners had a series of meetings. Contingencies were put in place for the delivery of those results. I had a meeting on 2 June with Ken Boston, the chief executive of the QCA, in which I was reassured that all the actions that we had asked for in the days after 19 May had been taken. We were assured that the actions in that period had got things on track.

Despite a series of meetings in May and June, it was only on 1 July that the QCA brought to our attention the fact that the tests would not be delivered on time, because the marking was behind and because of problems with the flow of data to the computers on which they are presented. We immediately asked for that to be investigated by the QCA and, two days later, having satisfied ourselves that that was the position, we announced in a letter to the Select Committee, reporting to Parliament, the Library and Opposition spokesmen, that we would delay the publication of key stage 2 results until 15 June and the publication of key stage 3 results until later in that week. At that time, we announced the independent inquiry. We discussed the inquiry's terms of reference with Ofqual and with Lord Sutherland. That was published when I appeared before the Select Committee the following week.

At the same time, Ofqual reassured me on 4 July, and has done since, that the quality of marking is at least as high as in previous years—although that is monitored closely—and that therefore it is appropriate for those results to be published in August. The final decision on publication will be made on the advice of the independent statistician in our Department and on the basis of the views of Ofqual in the coming days and weeks.

The hon. Gentleman obviously does not know how the regime works in practice, but 10 million scripts are marked by over 1.2 million pupils in every year—

Michael Gove: What?

Ed Balls: The scripts are done by pupils, not marked by pupils; I am sorry about that faux pas. There are 1.2 million pupils and 10 million scripts, and every year there are some difficulties with the marking of those scripts. That is why we have an appeals process and why there are appeals every year. Of course, every year there are problems in the marking of the scripts and things get sorted out.

The advice I have received from the QCA and others is that the volume of complaints received through the helplines has been similar to the volume received in recent years. Ofqual is looking at that, and Lord Sutherland will consider it. No evidence has been provided at this point to suggest that there is any reason to delay the publication of the marks. It would be the wrong thing to do for the future of testing in our country.

As for the hon. Gentleman's comments about teenagers and cocktail waitresses marking tests, he has no evidence that any teenager or cocktail waitress has marked any test. If he wants to provide that information to Lord Sutherland's inquiry, I am sure that it will be considered. Once again, we will find that behind the rhetoric there is no substance to the hon. Gentleman's allegation.

We have an independent inquiry. Sensitive contractual discussions are going on at the moment. All aspects of the matter will be considered closely. It is important that we take the right decisions this year so that we can secure confidence in the future of the testing regime. Rather than undermining confidence, the hon. Gentleman should support the work that we are doing with the independent inquiry. He should support the work that the QCA is doing in order to get the best outcome in these discussions. Rather than undermining confidence, he should act more like a statesman in these matters.

Mr. David Laws (Yeovil) (LD): I hope that notwithstanding those comments the Secretary of State will accept that if we are to have a high-stakes national testing system we must have a high-quality marking system that enjoys confidence. I hope that the Secretary of State would acknowledge that this year's marking of the key stage 2 and 3 tests has been nothing short of a complete shambles.

The Secretary of State acknowledged that he gave an assurance to this House more than two months ago that the key stage tests were on track, yet in spite of that reassurance 130,000 scripts for key stage 3 English have yet to be marked. Is he prepared to accept some responsibility on his part and on that of his ministerial team for the failure to act in that two-month period? Interestingly, he acknowledged a moment ago that he and his ministerial colleagues were aware of the problems before he made the statement in the House on 19 May that the tests were on track. Will he tell us in his response when he and his ministerial colleagues were first made aware of the problems that there have been this year?

On the issue of the reliability of marking, is the Secretary of State not extraordinarily complacent and very premature to assume that we can have confidence in this year's key stage test marking? That is particularly the case in the light of the number of complaints that there have already been about key stage 2 English and that there are likely to be about key stage 3 English tests when they are marked and sent out. Will he confirm that the assessment that has been made by Ofqual, which he seems so keen to rely on, appears to be only a somewhat cursory assessment of the processes that have been used and not of the results? Schools that end up having to appeal against the results could face costs of £6.50 per script or £180 per school or per set of results. Will he consider waiving those fees this year so that schools in this country do not end up paying for the incompetence of the Government and ETS? On ETS, does he accept that it is fairly clear from all the evidence so far that ETS has demonstrated unfitness to run the contract this year?

Will the Secretary of State tell us whether any payments have been made so far to ETS out of the extraordinary £165 million that the Government will pay to that company over the next five years to administer the tests?

Can he also tell us, without going into the detail of the contracts that have been signed, whether the QCA and the Government have the power to cancel ETS's contract without paying penalties if it can be demonstrated that ETS has acted in a negligent and incompetent way in administering the test this year?

On the time scale for the Sutherland inquiry, the Secretary of State has given us the usual ministerial vagueness, saying that the report will be delivered in the autumn. Can he be a little clearer about when he expects the report to come back? Can he indicate the latest date by which it would be necessary for the Government to make a decision if they are to put in place a new contractor for the 2009 tests, given the sensitivity of the time scales involved?

On the future of the testing regime, I think the Secretary of State said that the Select Committee was supportive of some form of national testing, and indeed it was, but it was also extremely critical of the existing testing regime. In his comments at the end of his statement about single-level tests and other adjustments that could be made, there was a sense of the deckchairs being shuffled around on the Titanic, given what we have seen with the marking of the tests this year and the much wider criticisms that have been made. Nobody is suggesting going back to a system of zero accountability, but when it is clear that the testing regime is collapsing under its own grotesque weight, do we not need a more fundamental

[Mr. David Laws]

review of that regime than the one that the Secretary of State is hinting at? Do we not need to axe some of the unhelpful and irrelevant tests, such as those at key stage 3, which have a low value in terms of school accountability and pupil assessment? Should we not put some of the enormous amount of money that could be saved by reducing the scale of testing into early diagnosis and early intervention to address some of the root causes of the challenges faced by so many young people in our education system today?

Ed Balls: I am a bit confused. Today, the hon. Gentleman is calling for a review of national testing and its future; yesterday, he said:

> "There is no need for endless reviews about the future of the national tests."

I am not sure whether he is calling today for a different review from the one that he rejected yesterday. To be fair to him, however, we have different and principled positions: I believe that it is important that we have continued externally validated national curriculum tests, and he does not—he calls them grotesque and he wants to abolish them.

I should say to the hon. Member for Surrey Heath (Michael Gove) that we no longer have any idea what the Conservative party's policy on externally validated tests is. I guess that we will have to wait for the outcome of its inquiry under Richard Sykes before we get more elucidation from the hon. Gentleman. However, the hon. Member for Yeovil (Mr. Laws) and I have different views. I am happy to reform, but I want to keep externally validated tests, and it is really important for parents, teachers and the Government that we do so.

The hon. Gentleman asks whether we will abolish the £6.50 per script appeals charge. As he will know, there is a £6.50 charge only if the school fails in its appeal; if it succeeds, it does not pay a charge. Of course it is sensible to keep that charge in place, but if more appeals are successful, schools will not pay more charges. As I said—I am not being complacent about this—Ofqual has advised me on the basis of its work so far that there has not been a decline in marking quality, but it has also said that it continues to keep the issue under the review, and that is its role. That shows that I was right to introduce the principle of an independent regulator—Ofqual—last year so that it could play that role precisely.

The hon. Gentleman asked when we became aware of the issues before us, and we were of course aware of them. The Schools Minister and I were aware of the problems that had occurred with ETS Europe before our exchange in the House of Commons on 19 May. Lord Sutherland will look into the detail of all this. We also took repeated and regular action in the following weeks in discussions with QCA, but, again, Lord Sutherland will look at that in his inquiry. I hope that he will report as soon as possible once he has collected his evidence in August and September. I hope that that will be in October, but, for today, I will say that it will be in the autumn, because I do not want to pre-empt his timetable, as that is for him to decide. However, I am clear that the sooner he can complete his report, the better.

Finally, the hon. Gentleman asks at what point we should make decisions about the contract for the 2009 tests. He tries to lure me into providing a commentary on the discussions that are currently under way. He asks me to use words such as "incompetent", but I am not going to get into that. As I explained very clearly, the advice to me is that to secure the best interests of the taxpayer, schools and pupils, the right thing for me to do today is not to comment on discussions that are ongoing and very sensitive, so I will not comment on them. Obviously, however, the sooner information can be provided to the House, the better.

Several hon. Members *rose—*

Mr. Deputy Speaker (Sir Michael Lord): Order. We have already been over half an hour on the statement and an awful lot of people are seeking to catch my eye. Could I please now appeal for one crisp question and, hopefully, a crisp answer?

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): May I pass on to the Secretary of State the concerns expressed to me at the weekend by parents and students, including a young constituent called Emma Hoare, about the quality of the marking and the lack of reassurance that they obtained from the TV appearance by an ETS spokesperson, who simply did not seem to grasp the seriousness of the issue? Can Ofqual take into account the need to reassure the public, as well as the Secretary of State, about the quality of these tests?

Ed Balls: My hon. Friend is quite right. One reason why I acted last autumn was that, in my judgment, there was a conflict of interest in the same body—the QCA—being responsible for contracting to deliver the tests and also acting as the independent regulator of quality. That is why we pulled those two roles apart and why we are legislating for Ofqual. Ofqual is giving the assurances, and it is monitoring the situation closely. There are always some problems with marking every year, but the advice to me is that, so far, there have not been more problems than in previous years. Ofqual is keeping that under review and looking at it closely, and I will report regularly to the House.

Miss Julie Kirkbride (Bromsgrove) (Con): Like the rest of the country, the Secretary of State must have seen the two published test papers in English that appeared in the national newspapers last week. Can he tell us why the public and the House should have any confidence in the marking of those test papers, when one, which was clearly well written and accurately spelled, was given a very similar mark to the other, which was poorly written and poorly spelled? For the record, can he tell us his personal opinion of those two papers and the marks that they received?

Ed Balls: Like the hon. Lady, I have no confidence in the marking of those two particular scripts. I am sure that the head teacher of Moss Side primary will be making an appeal. There are appeals every year when the marking goes wrong. The question that we have to judge is not whether there has been a problem in an individual case—that is for the appeals process—but whether there has been a systemic problem of marking quality. As of today, no evidence has been provided to me of a systemic problem of marking quality, but we will keep the issue under review.

Fiona Mactaggart (Slough) (Lab): Is the Secretary of State aware of the concern among teachers about the quality of the tests themselves? When I visited three primary schools in Slough, I found that the teachers were not particularly concerned about the results, although they were angry that they had not got them yet. However, they were very keen to tell me that the extended writing test at key stage 2 was ethnically biased and not appropriate for the pupils of Slough. Those teachers are also concerned, and this will affect every constituency, about how the RAISE system—the system for reporting and analysis for improvement through school self-evaluation—for tracking pupil progress will be affected by what has happened and by the quality of the tests, which look at individual questions.

Ed Balls: I hear my hon. Friend's concerns. She will understand that the tests are not set by Ministers or by my Department, but at arm's length by the QCA. I will make sure that her views on those issues are expressed to the QCA. We need to make sure at all times that we have the highest standards of test setting. We also need to make sure that we have a curriculum in primary schools that is suited to the needs of our 21st century society. That is why Sir Jim Rose is reviewing the primary curriculum. Obviously, that will impact on tests in the future.

Mr. Mark Francois (Rayleigh) (Con): I listened carefully to the Secretary of State's rather extraordinary statement, which could best be summarised as saying, "This is absolutely nothing to do with me. I'm just the Secretary of State in charge of the Department." Is it not the truth that this is a complete fiasco, that it has happened on his watch and that ultimately the buck rests with him and no one else?

Ed Balls: As I said very clearly, I am accountable to Parliament for schools policy, and that includes the delivery of the tests. I was clear about that today, and I was clear about it last week when I appeared before the Select Committee. However, the responsibility for delivering those tests lies contractually with ETS Europe. A contract was drawn up with the QCA at arm's length from Ministers, and rightly so, because that is the only way to inspire public confidence in the objectivity of test setting that is independent of ministerial interference. I am clearly accountable for setting the regime, but the responsibility lay with ETS Europe, and the question that is being discussed today is whether those responsibilities have been properly discharged.

Barbara Keeley (Worsley) (Lab): I thank my right hon. Friend for his statement. I have written to him about a primary school in my constituency and the issue of marking quality. The school has achieved key stage 2 results of 74 per cent. in maths, which is good for our area of Salford, but its English results, which were expected to be 70 per cent., were only 34 per cent. That is having quite an impact on the English teachers. The school has checked with the Salford school improvement service, which cannot see any reason for the gap between what was expected and what has actually happened. The school is concerned about what will happen to its reputation across the summer holidays, and about the children who are transferring to high school with those unexpectedly poor results. What advice should I, as its local MP, be giving to the school? How should it proceed to manage this matter across the school holidays?

Ed Balls: I would advise my hon. Friend to encourage the school to appeal. In a case where it is felt that there is a problem across all the test papers, the school should lodge a group appeal rather than individual appeals. That appeal will be looked at separately and independently, and rightly so, because it is important that the appeals process works in an orderly way, as it does every year. I would encourage my hon. Friend to advise that primary school to appeal.

Mr. Graham Stuart (Beverley and Holderness) (Con): The Secretary of State has said that he regrets the situation, and he has accepted the point made by my hon. Friend the Member for Rayleigh (Mr. Francois) that, as Secretary of State, he is in overall charge of education policy and of this testing. Yet, before the Select Committee and today in the House of Commons, as the person at the top with whom the buck stops, he has signally failed to take the opportunity to apologise. Will he do so now to all the parents, children and schools that have been so badly let down?

Ed Balls: I have to say—and I shall say it for the third time to the hon. Gentleman—that I am advised that ministerial intervention or interference at this stage in a contractual discussion would be the wrong thing to do. It is important that nothing is said to shift responsibility or redress from where it properly falls under the contract. I said in my statement that, "I hope that the House will understand why I cannot comment further at this stage." Clearly, however, some Members did not understand why I cannot comment at this stage, but that is still the policy that I am going to pursue, because that is the legal advice that I have been given.

Mr. Andy Slaughter (Ealing, Acton and Shepherd's Bush) (Lab): The issue of procurement, including price, and the issue of culpability, involving the discussions between the QCA and ETS, go to the heart of the matter. If the Secretary of State will not comment on those issues now, will he do so in due course? On the quality of marking will he ensure that the independent inquiry looks at the issue of appeals, including numbers of appeals and successful appeals, to see whether his point about quality being maintained is upheld?

Ed Balls: The body that is responsible for regulating the appeals process and ensuring the quality of marking and the quality of appeals is Ofqual, and that is really its responsibility. Clearly, Lord Sutherland will look at any issue that he wants to, but in the first instance, that is a matter for Ofqual. Lord Sutherland will look at all aspects of the procurement process, including how the contract was specified and procured, and that will include the input from departmental officials and Ministers in my Department in setting the remit. He will look at all those issues and report publicly. Of course I will comment, but I have said today that I will not comment on the details of this process while the commercial negotiations are occurring, because they are financially and legally very sensitive indeed.

Mr. David Heath (Somerton and Frome) (LD): I suspect that a letter I have received from Christine Glen, the head teacher at Wincanton primary school in my constituency, is typical of many. She uses words such as "fiasco", "incompetent" and "slapdash", and deplores the quality of the marking of scripts that she has received. She makes the important point that, when pupils have worked up to or beyond national expectations all year and are then given a disastrous mark in an exam, it has a very unfortunate effect not only on the pupils but on their future career at secondary school. If that pattern is replicated across the country—and it sounds as though it is—would it not be better to declare this year's SATs null and void, and to allow the teachers, who have the expertise, the competence and the knowledge of their pupils, to make individual assessments?

Ed Balls: The answer to that question is no. That would be quite the wrong thing to do in the interests of children and young people in our country. That is why I have rejected the Liberal Democrats' advice to scrap externally marked SATs. The right thing to do in the case that the hon. Gentleman describes would be for the head teacher to appeal. The appeals process will work properly, as it does. If there is a problem, it needs to be sorted out at the appeals stage. As I said earlier, there is no evidence being provided to me at this stage by Ofqual that there has been a decline in marking quality, although of course there are problems with marking every year. That is why we have an appeals process. I hope that the hon. Gentleman will encourage the head teacher in his constituency to appeal.

Mr. Brian Jenkins (Tamworth) (Lab): Without prejudging the outcome of any inquiry, may I inform my right hon. Friend that anyone in the industry will tell him that we simply do not have a sufficient number of qualified exam markers in this country? That is the problem. Either we get more markers or we balance the work load across the year—which would he prefer?

Ed Balls: It is essential that we have enough qualified markers, and that depends on the rates of pay that the markers are paid to do their job. As my hon. Friend may know, the payments to markers were increased during this process in order to bring in more markers. I am told that we have enough qualified markers; the question is whether they are marking the tests. Lord Sutherland will look at all these matters, but I think that in this case not enough markers were engaged at an early stage.

Mike Penning (Hemel Hempstead) (Con): Teachers, parents and pupils will be astonished to hear the Secretary of State say that he is unable to say sorry because of the legal advice that he has received. Will he publish that legal advice today?

Ed Balls: I have said that I very much regret what has happened, and I have explained clearly that the advice to me is that I should not comment on anything that would prejudice responsibility. That is the legal advice that I have been given. I have made it clear that I am accountable, but the responsibility lies with the QCA and with ETS Europe. I do not understand why the hon. Gentleman is trying to make comments that would shift that responsibility.

David Taylor (North-West Leicestershire) (Lab/Co-op): Having called for this statement on two successive points of order, yesterday and two weeks ago, I am pleased that the Secretary of State has now come to the House. With his well-developed political antennae, he will understand the alarm and dismay that will be present in 20,000 staff rooms and in 1 million families. Will he at least aim to write to those 20,000 schools at some point in this process to explain what has happened? At that time, will he explain what has happened to the QCA due diligence report into ETS, whose voracity has clearly exceeded its competence to undertake this hugely important task?

Ed Balls: The large majority of primary and secondary schools received their marks on time, so my hon. Friend is wrong to say that this has caused consternation in 20,000 staff rooms around the country. As I have said, however, I regret the fact that some schools received their results late. Some schools are still waiting for the full suite of their results, and that is something that needs to be sorted out. Indeed, it is being discussed today between the QCA and ETS Europe.

Annette Brooke (Mid-Dorset and North Poole) (LD): Head teachers have reported the need to check their SATs results against the teachers' assessments. I thought that the purpose of the national tests was to check the teachers' assessments. Is it not therefore time that we had more confidence in the teachers' assessments, particular at key stage 3?

Ed Balls: As the hon. Lady will know, because we discussed this in the Select Committee last week, it is one of the purposes of the Making Good Progress pilots to allow more teacher discretion in setting the level of tests for a child to take. These tests play more than one role, however. They are an aid to teacher assessment, and they also provide a way of allowing parents to see the independently validated progress of their child. They also provide a way in which we, and the hon. Lady, can compare performance school by school. All those functions can be performed only if we have universal, externally validated tests. However, that does not mean that we cannot make changes to give more discretion to teachers, and I am keen to do that if the evaluation suggests that it will work.

Mr. Philip Hollobone (Kettering) (Con): Given the lack of confidence in the system and the likely increase in the number of appeals, what extra resources are being put into the appeals process?

Ed Balls: The advice to me from the QCA is that the appeals process will deal with the volume of appeals and, as I have set out, the longer timetable will allow schools more time. It is very important that the QCA and Ofqual ensure that the appeals process works in a proper, orderly and timely way. That is very much in their minds at the moment.

Bob Spink (Castle Point) (UKIP): In this as in so many other areas, smaller or less interfering government is much better. Will the Secretary of State change his policy so that there is less externally validated testing? We should trust teachers more: they are excellent, and they have the right judgment about children in their care. Trusting them more, especially around key stage 3, would save a lot of money and anguish.

Ed Balls: I just explained to Liberal Democrat colleagues why I disagree with the approach that the hon. Gentleman sets out. I should like Making Good Progress to lead to more teacher discretion, but it would not be right for parents to move away from externally validated tests. I disagree with him, and believe that the information from the tests is a very important part of our drive to raise standards in primary and secondary schools. On this matter, we will have to agree to disagree.

Paul Rowen (Rochdale) (LD): Given that Ofqual is a new creation, what is the basis for the Secretary of State's assertion that the quality of marking is at least as good this year as previously? Given what he has heard from hon. Members this afternoon, and in the media, is not it time that he admitted that there are serious concerns about the quality of marking? What is he going to do about it?

Ed Balls: As I have said already, the answer is that Ofqual, the independent regulator in these matters, wrote to me on 4 July to say that, in its judgment and according to the information that it had so far, the quality of marking was at least as high as in previous years. The chair of Ofqual said on the radio last week that the organisation was monitoring marking quality closely. If there is evidence of a problem with the quality of marking, Ofqual will act and also advise me, but that is not where we are today, and nor is it the advice that we are receiving. Advice on exam marking, standards and quality should not come from Ministers or the QCA, which sets the tests. It is much better for that advice to come from an independent regulator, and that is why we have introduced the reform.

Mr. Peter Bone (Wellingborough) (Con): The Secretary of State has said that he is accountable. If that is so, why has he not resigned?

Ed Balls: I have already answered that question a number of times. I am accountable for schools policy, including the testing regime, but it is a principle of that regime that national curriculum tests are set and managed at arm's length from Ministers. That is because Ministers should not interfere with how those tests are set and managed, and that is why the contract is managed at arm's length by the QCA, with ETS Europe. A contractual discussion is going on between the QCA and ETS Europe, which together are responsible for delivering the test results. Both organisations have apologised because they have not met the expectations of pupils or the outputs that they specified in their contract. That is where the responsibility lies.

Points of Order

2.23 pm

Mike Penning (Hemel Hempstead) (Con): On a point of order, Mr. Deputy Speaker. Yesterday, this House and the other House had the honour of welcoming 120 British servicemen returning from Iraq at the north door of the Great Hall. Mr. Speaker was there to greet them, and it was a pleasure and an honour to see them. However, while we were waiting for them, the lunatic fringe that is the peace camp outside broke through the police lines and got into the ranks of those brave servicemen and women. Those people abused and attacked the service personnel, calling them cowards and other things that I will not repeat in this House. Can we investigate how on earth British servicemen and women returning from Iraq and marching through the streets of London to this House came to be attacked, and whether enough police were on duty? Next time we invite them, can we make sure that there are enough police on hand, so that we can welcome them in the proper way?

Mr. Deputy Speaker (Sir Michael Lord): We are all aware of the demonstrations that are a permanent feature outside the House, and of how they may sometimes stray beyond the limits. As politicians, we are perhaps more used to such things than other people but, given that the soldiers to whom the hon. Gentleman has referred were here not only to be honoured by us but to be our guests in the Houses of Parliament, I think that what happened was a dreadful situation. I am sure that he will be glad to have his words on the record, and that they will be noted by everyone in the House today and by people outside it. Let us hope that that kind of thing does not happen again.

Dr. Julian Lewis (New Forest, East) (Con): Further to that point of order, Mr. Deputy Speaker. I did not see the attack on the servicemen, but I heard the persistent attempts to use amplified noise from the square to abuse them. Fortunately, that did not spoil the occasion, at any rate not significantly, but will you ask Mr. Speaker to investigate what has happened in respect of Westminster council? Representatives from the council came for a meeting with Mr. Speaker, the police and me following 50 complaints about broadcast noise from the square disturbing people at work. Westminster council assured us that the licence to broadcast from the square would run out in January of this year, which means that it has run out now, yet there appears to be no enforcement to prevent such broadcasting. The situation is intolerable and absolutely pathetic, and it is about time that the law was enforced in respect of these abusive people.

Mr. Deputy Speaker: The hon. Gentleman raises two matters, and I think that I have dealt with the first already, although I should like to add that I hope that all the soldiers and their families who are here today will be seriously and strongly reassured by the feelings in this Chamber today. As for the second matter—noise—we are all well aware of what goes on out there. I shall draw Mr. Speaker's attention to the matter and make sure that he reads the hon. Gentleman's remarks in *Hansard*. Let us hope that some action can be taken.

Theft from Shops (Penalties)

2.26 pm

Miss Anne McIntosh (Vale of York) (Con): I beg to move,

> That leave be given to bring in a Bill to exclude the offence of theft from retail and commercial premises from the provisions of the Criminal Justice and Police Act 2001 relating to fixed penalty notices; and for connected purposes.

This Bill has cross-party support and I am most grateful to right hon. and hon. Members for their support. The Bill is necessary because the use of penalty notices for disorder is ineffective in deterring crime, especially shoplifting and other crimes against business. Using PNDs for shoplifting sends out the wrong message, as the shoplifter or thief is treated in the same way as a motorist is treated for outstaying his or her welcome at a parking meter. Tough and effective sentences are needed to fight that type of crime.

The cost to businesses from shoplifting totals £6 billion each year. In 2007-08, a staggering 290,625 shoplifting incidents were recorded, but only 58,536 offenders were found guilty, and of them only 38,772 were given penalty notices. Therefore, the numbers clearly show that a large number of crimes are being committed by a small number of offenders. Those offenders are ignoring the threat of penalty notices, 40 per cent. of which are not even paid. That is why this Bill is so necessary, as it would delete any reference to theft from the list of offences in the Criminal Justice and Police Act 2001 that attract a penalty notice.

It is important to recall that the crime of shoplifting is on the increase. In 1997, there were 274,000 incidents but, as I have said, the latest figures show that there were more than 290,000 in 2007-08. The current law means that penalty notices for theft apply only to retail and commercial theft. Crime against business is often thought to be victimless, but it most certainly is not. The victims are businesses that are employers, and the communities that small businesses sustain. The owners of small businesses face a climate of constant intimidation and violence.

Crime affects business in a number of ways. It leads to an inability to meet customer deadlines, damages profitability, wastes management's time and affects staff morale, among other things. Some 57 per cent. of businesses are victims of crime every year, and in any 12-month period 45 per cent. of businesses say that crime has cost them up to £5,000; that is big money for a small business.

Crime against business costs the UK economy an estimated £19 million a year, which is approximately £5,000 for each business, and 12 per cent. of businesses estimate that crime costs them more than £10,000 a year, according to the British Chambers of Commerce. Not only does that have a direct impact on businesses, but the cost is passed on to consumers and individuals in society; it is reflected in the price of goods and in higher insurance premiums. The British Retail Consortium says that the retail sector alone loses £1.5 billion to retail crime annually. If we add the £1.43 billion that is invested in crime prevention, the total cost of crime for a year is £2.1 billion.

Penalty notices for disorder can normally be given only for thefts up to a value of £100, or for criminal damage to the value of £300. The value of the average annual shoplift, or shop theft, is about £149 according to the Federation of Small Businesses. As that figure is below the cut-off point of £200, the majority of shoplifters are dealt with by PND, but 40 per cent. of PNDs go unpaid, as I have said. The FSB figures show that the cost to businesses of shoplifting is £6 billion a year, £4 billion of which is spent by businesses on crime prevention measures; £2 billion is the value of the shoplifting itself. The Federation of Small Businesses would like the police to re-focus on protecting the whole community, and to recognise that protecting the individual in their place of work is just as important as protecting them in their home.

The use of penalty notices for disorder for shoplifting is inappropriate. The crime of shoplifting needs to be punished, and the causes of that crime, such as the need to feed a drink or drugs habit or other addiction, need to be addressed. The courts expect the police and the Crown Prosecution Service to follow any guidance issued by the Secretary of State; otherwise, a case will be dismissed. The increasing use and inconsistent application of penalty notices for disorder, particularly for shoplifting, needs to be addressed. The Federation of Small Businesses appreciates that the police find PNDs attractive because they reduce the amount of paperwork, but it is worrying that just over half are paid, and that the fine may not even match the value of the items stolen. If the notices are to be used, there should be proper enforcement. Fines should be followed up, and the notices should not be used in the case of repeat and persistent offenders. Retailers should also be consulted before fines are levied. We encourage the police to consult in that way.

The British Retail Consortium and its members are concerned about the lack of guidance on the suitability of such notices as a means of disposal. That lack of guidance results in their inconsistent use. The BRC agrees that tough and effective sentences are needed for crimes against business. There should be clarity about when such notices can be used, and consistency of approach is vital. It agrees that penalty notices for disorder are ineffective in deterring crime, and it campaigns for more attention to be paid to the effects of the inconsistencies, as regards shoplifting.

In connection with my Bill, the director general of the British Retail Consortium, Stephen Robertson, wrote to me to say:

> "Our members support the use of Penalty Notices for Disorder...when dealing with first time offenders but we are concerned that penalty notices are often issued in circumstances where they are not appropriate. There is a lack of clear guidance on the suitability of PNDs as a suitable method of disposal, resulting in inconsistencies in their use. It is clear that identities are not being checked and fingerprints, DNA and photographs are not being taken from offenders, preventing effective operation of the PND register."

He goes on to say that current guidance is insufficient. Given that the British crime survey is a survey of households and does not capture corporate victims, and given that 40 per cent. of businesses do not report such crimes, the indicators are likely to under-represent the true extent of the crime. The law was amended in 2001 to allow penalty notices to be issued for theft, and further offences were added to those for which penalty notices for disorder may be given, and for which fines may be levied. I propose to use my Bill to stop the overuse of penalty notices for disorder, and to amend the guidance that has been issued.

In conclusion, the current situation is unacceptable. The crime of theft from shops has grown considerably. The current guidelines permit different sentences and inconsistent approaches across the country. We want clear, consistent guidelines. We want to distinguish between first-time and repeat offenders, and between aggravated and non-aggravated offences, but we want the ability to ensure that the strongest possible penalties are given. We want to deal with the issue in a serious way, and we want the Bill adopted, so that we can ensure that such crimes are properly reported and recorded. We want to give the police the tools to do their job, and I therefore commend the Bill to the House.

Question put and agreed to.

Bill ordered to be brought in by Miss Anne McIntosh, Mr. Roger Gale, Mr. Frank Field, Lady Hermon, Mr. Mike Hancock, Patrick Mercer, Mr. Brian Binley, Bob Russell, Kate Hoey, Kelvin Hopkins and Mr. Shailesh Vara.

THEFT FROM SHOPS (PENALTIES)

Miss Anne McIntosh accordingly presented a Bill to exclude the offence of theft from retail and commercial premises from the provisions of the Criminal Justice and Police Act 2001 relating to fixed penalty notices; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 17 October, and to be printed [Bill 144].

Summer Adjournment

Motion made, and Question proposed, That this House do now adjourn.—*[Ms Diana R. Johnson.]*

2.37 pm

Jim Dowd (Lewisham, West) (Lab): I am taken aback at being called so early in the debate; like most Members, I am used to sitting here for a few hours before speaking. However, I am pleased and grateful to you, Mr. Deputy Speaker, for calling me.

As is traditional on these occasions, I want to mention issues affecting my constituency. I shall mention two matters, both of which I have raised in the past, although events have moved on since then. The first relates to Southern Railway services between London Bridge and my constituency. I have an inner-London constituency south of the river. Overground services are particularly important to my constituents and me, as the north London underground railway, as it is known, has not yet come to our part of south-east London. Fortunately, that will be remedied in a couple of years' time.

I have previously raised in the House issues arising from the route utilisation strategy for south London, and from the extension of the East London line to Crystal Palace and West Croydon. As part of the changes, Transport for London will take responsibility for the route, and for all stations from New Cross Gate to Crystal Palace and to West Croydon, and will take over the running of Brockley, Honor Oak Park, Forest Hill, Sydenham, Penge West, Anerley and Norwood Junction stations to boot; they will become part of what will be known as the London overground network, although it will be run by TFL and will be part of the tube system. That, of course, is a great boon to my constituents and to right hon. and hon. Friends whose constituencies neighbour mine.

I raised the issue in the past because there was some doubt about whether the services would be at the expense of, or additional to, existing services. Fortunately, most of the problems have been resolved, and my constituents and others are looking forward eagerly to the considerable expansion of the public transport network in south-east London. It probably will be the greatest improvement since the arrival of the railways many decades ago.

With change comes difficulty, as everybody knows. New stations are being fitted with the Oyster card system, which has been hugely successful on the underground network and on London buses. Extending it to the national rail network will be to the advantage of passengers throughout the area and the country, wherever it is adopted. Bringing in the Oyster card service means bringing in gates, which is where the current problem exists. There is a plan at Sydenham and Forest Hill stations to introduce over two phases and by the end of this year automatic gates, which will be brought on line while the Southern Trains franchise is still in existence.

Unfortunately, this is causing many of my constituents considerable inconvenience and has made their lives difficult because of restrictions on the up service from Sydenham and the down service from Forest Hill, requiring people to go to the other side of the station and back over the footbridge to get to the service they want. For people with buggies or luggage or with mobility difficulties, that is extremely inconvenient. Everybody understands

[Jim Dowd]

why the new system is being brought in, but it cannot be right to inconvenience the law-abiding and ticket-buying majority in the hope of catching the fare-evading minority. My constituents certainly do not see it that way.

Fortunately, the elected mayor of Lewisham, Sir Steve Bullock, arranged for me and him to meet senior Southern Trains managers at Forest Hill and Sydenham stations last Friday and, more particularly, for the managers to meet a number of constituents—their customers, passengers, or whatever they are called these days—and to hear from them first hand precisely how difficult their lives have been made by the lack of co-ordination in introducing the programme. As I say, nobody disputes the need to reduce fare evasion and to improve security by ensuring that only genuine passengers have access to both trains and stations. My constituents would agree with that proposition.

However, as the full scheme can be implemented by the end of this year, we are asking Southern Trains—it has agreed to consider this—to revert to the original position of unguarded gates until such time as it can bring in the whole scheme. My constituents will then be able to have access to both the up and down platforms at all times of the day with minimum inconvenience. I hope and expect Southern Trains to respond positively in a short space of time.

The other issue concerns health in south-east London. The primary care trusts in Lewisham, Greenwich, Bromley and Bexley put together a review of acute provision within what they called "outer south-east London." I grew up in south-east London and have lived there all my life so far. I have never heard of outer south-east London. However, I applaud the PCTs for taking a joint approach to planning important services in the area. The last time I spoke on this issue was at the start of the consultation period. Fortunately, within the last few weeks, that consultation has concluded. The one thing that became apparent beyond all others was that the people of Lewisham do not regard themselves as living in outer south-east London, whatever that might be. If services at Lewisham hospital are taken away, the people would be more likely to go to King's in the west or Guy's and St. Thomas's in the north than they would ever be to go to Queen Elizabeth in Woolwich, Princess Royal in Farnborough or Queen Mary in Sidcup.

I am delighted that the result of the consultation has been to underline, rather than undermine, the services provided by Lewisham hospital. It is good news for Lewisham residents. The confidence and respect of residents for University hospital in Lewisham has been confirmed by the exercise and by the PCT. The joint PCT accepted that it will continue with the world class maternity and, certainly, paediatric services, which are among the best in the country—as good as Great Ormond street, according to the Healthcare Commission, or better, as Great Ormond street does not provide a children's A & E service but Lewisham does. There are many other arrangements—for example, the future of maternity services and collaboration with the academic health sciences centre, which is due to be set up shortly—which will be to the benefit not just of Lewisham hospital as an institution and a centre of technical and medical excellence, but to my constituents and the many others who use its facilities.

Several hon. Members *rose—*

Mr. Deputy Speaker (Sir Michael Lord): Order. I should have warned the House that there is an eight-minute time limit on Back-Bench speeches. I am sure that everyone was aware of that.

2.45 pm

Simon Hughes (North Southwark and Bermondsey) (LD): I will also keep to eight minutes, as I know that a lot of colleagues want to get in.

Like the hon. Member for Lewisham, West (Jim Dowd), I have the privilege of representing parts of south-east London, and in a second I shall mention some topics of concern in our part of the world. First, however, I shall mention some slightly broader issues.

We go into recess today with hope and a bit of encouragement that, at last, in Zimbabwe, which we have debated so often in recent weeks, there may be a glimmer of a possibility that things can get better. From these Benches, via the Deputy Leader of the House, may I offer the Foreign Office team our best wishes and encourage them to continue to do all they can, despite the difficult position of the UK, to encourage African Union member states in particular to work strongly and determinedly to bring to an end the illegal and absolutely oppressive Government and to move to a much more positive future in Zimbabwe?

There are two other places where the next few weeks will be crucial. The Deputy Leader of the House will know that, in a matter of days, talks resume between the President of Cyprus and the Prime Minister and President of the so-called Turkish Republic of Northern Cyprus. This weekend was the 34th anniversary of the Turkish invasion. Many people have seen false dawns in trying to find a resolution, but the election of the new President of Cyprus in February has raised a welcome possibility of new talks and proposals for peace. There are lots of difficult problems, including land, housing, property, disappeared people and so on, but on behalf of the whole House, I wish those initiatives well. It is important that the Government in Ankara understand that, whatever the internal problems of the governing party and the military, they have a huge obligation to seek with their neighbours and on behalf of the whole of Europe to bring Cyprus back to being one nation, with all its communities living together in peace. It is a Commonwealth country and an EU country, and we are a guarantor power. I urge Foreign Office Ministers to be proactive with a greater intensity than ever before.

The third Commonwealth matter that I shall mention is Sri Lanka, in which I have long taken a interest. I am aware that the Minister for Africa, Asia and the United Nations has just returned from Sri Lanka, and I hope with colleagues from all parties to meet him shortly to go through what he has learned. There are many people working hard under the radar to bring the parties together in Sri Lanka, including the right hon. Member for Leicester, East (Keith Vaz), who is in his place, and others. There has been conflict in that country for far too long. Violence and terrorism are unacceptable. Unless everybody is brought round the table and engaged in the process—Sinhala and Tamil, all the faith communities, Buddhist, Muslim and Christian, and others—there will be no peace on that island. I sense that we have not played a proactive part. India has a huge part to play, as does the United States. I hope that an opportunity can be taken. If the Government in Sri Lanka still think that they can bomb the LTT into submission, they must realise that that is not realistic. As we know from Northern Ireland and elsewhere, unless we engage people, there will not be a solution. I am sure a solution short of separation and two states is possible.

Keith Vaz (Leicester, East) (Lab): We should pay tribute to the hon. Gentleman himself for his work over many years. Does he agree that whatever happens in Sri Lanka should not prevent the British Tamil community from playing their full part in our democracy and from engaging fully with elected Members of this House?

Simon Hughes: Absolutely. A new high commissioner for Sri Lanka has just been appointed—I have not met him yet—and we must send a clear message that people from all communities in Sri Lanka who have settled here can express their views within the law as freely as other citizens. There must be no intimidation and no sense that the debate here about what is happening in Sri Lanka is being suppressed.

Next year is the 50th anniversary of the Commonwealth scholarships, but there was a big setback this March, when the Foreign and Commonwealth Office decided to stop funding a proportion of those scholarships. That decision was not met by a positive response around the Commonwealth—indeed, the reaction was to the contrary, and real anger persists. The former Member for Bristol, West, Valery Davey, who is now the extremely able chair of the Council for Education in the Commonwealth, and colleagues from all parties are working with others to try to get the Government to think again. I want the Government to think again and to reinstate funding across the Commonwealth, so that postgraduates of excellence can come here and benefit by studying before going on to be friends of this country abroad.

On the domestic agenda, I have just come from a march from Great Dover street in my constituency to Downing street in memory of David Idowu, who died aged 14 after being stabbed by another teenager five weeks ago. There is a huge gathering of his family, his friends, his neighbours, local schoolchildren, local teenagers, representatives of the Churches and other faith groups, local councillors and so on. The march is about to go over Westminster bridge, and I hope to join it later at Downing street.

There are ways to deal with knife crime. As we are putting our case in Southwark, my specific plea is for the assets released by the Dormant Bank and Building Society Accounts Bill to be released early to help existing organisations do more. For example, there is a youth club over the road called The Hub. It is open on some nights of the week, but it would like to open on all the nights of the week. The organisation XLP has a bus that it uses on estates, and it would like to use that bus all day, every day. Downside Fisher youth club, Rockingham estate play association and many other youth organisations would like to do more, which would lead to other people volunteering. Will the Government think again about whether they can fund more detached or outreach youth workers in all our local authorities, to work in the statutory or voluntary sectors? Youth workers could be out in the community as role models and support systems for individuals. If we had 50 of them in Southwark—25 men and 25 women—it would be a great advantage.

Sarah Teather (Brent, East) (LD): In Brent, we have found that long-term sustainable funding is needed to work with deprived communities, but the constant changes in the different funding streams and changing priorities can make it difficult to build up trust with difficult-to-reach communities.

Simon Hughes: That is absolutely true, and I hope that the Deputy Leader of the House brings my hon. Friend's point to the attention not only of her Cabinet Office colleagues, but of colleagues in other Departments.

I repeat my oft-heard plea—every London Member says this—for the Government to be much more ambitious about their social housing programme. Over the summer, I hope that the Government talk to the new Mayor of London to ensure that he is ambitious about not only one and two-bedroomed properties, but three and four-bedroomed properties, too.

We have had a great sporting summer so far, although the cricket is a bit risky. *[Interruption.]* We beat New Zealand and we still have a chance of beating South Africa, although it will take a better performance than in the past two tests. Wimbledon was fantastic, and there was some unbelievable tennis; the British Open was probably the most exciting of recent times; and the motor racing has been wonderful, with two grand prix successes in a row for Hamilton. We have great talent in this country, and there are some wonderful organisations that offer sporting opportunities particularly to youngsters. In Lambeth and Southwark, we have the sport action zone. Will the Government, working with local authorities, ensure that the message about what is available is communicated even better, and continue to support community and other funding initiatives? We are about to watch what will hopefully be a successful Olympics, and I hope that that inspires us to better achievement.

Finally, I want to discuss a local issue. The right hon. and learned Member for Camberwell and Peckham (Ms Harman) and I share political responsibility for the Aylesbury estate. Earlier this year, the Minister for Local Government said that the Government would consider ways to support the regeneration of that huge estate, which was an iconic symbol for the previous Prime Minister when he took office in 1997. The council has an ambitious plan to rebuild the estate, to which the community has signed up, but the plan needs Government support and resources. That plan could make a great community for the middle part of Walworth and the middle part of Southwark, but the Government must be bold. Indeed, the Government need to be bold in all the matters that I have mentioned, and I hope that the Deputy Leader of the House will be bold in telling her colleagues that.

2.55 pm

Mr. Mike Hall (Weaver Vale) (Lab): I want to raise a number of constituency issues that have implications for the Government and for legislation.

First, I shall discuss common land in Norley, which is a beautiful village in the middle of my constituency. It has recently come to light that a company has registered the leasehold of the common land. That affects 28 of

[Mr. Mike Hall]

my constituents, who fear that they will have to pay for access to their own homes. The lease is dated 25 December 1999 and is on land valued at about £40,000 with a £10 rent. The Land Registry registered the lease as a good leasehold, because at the time of registration the company that claimed to own the land was unable to prove that it owned the lordship of the manor of Norley and any land that lay within the lordship. My constituents are concerned that they will have to pay exorbitant prices for access to the land, even though the Government tried to resolve that problem in the Natural Environment and Rural Communities Act 2006, which gives people who have used land for access for 20 years a prescriptive right of access.

The Government have four important questions to consider. First, on what basis can a company acquire common land that has been designated as common land for hundreds of years? Secondly, where a company applies to register a leasehold on common land but does not produce the evidence to show that the lessor has the title to that common land, surely the Land Registry should consult local residents who are affected to let them know what is happening and give them the opportunity to get involved in the process, which is nearly 10 years old in this case? Thirdly, where prescriptive rights of access to common land have been acquired, I want the Government to make it absolutely clear that if the property is sold, the rights acquired are transferred with the sale, which would go a long way in allaying my constituents' fears. Finally, where a company attempts to sell the freehold on common land, surely they must be able to prove that they own the freehold to the satisfaction of the Land Registry?

Let me now discuss the activities of United Utilities in my constituency. It is necessary to write to United Utilities at least three times in order to get an answer to the question one originally asked. This is only a small thing, but United Utilities promised that it would not change the way in which it charges park homes for land drainage; it made that promise three years ago, but this year it has introduced changes that mean that people in park homes in my constituency face an increase of between 85 and 183 per cent. in their charges. I had to write three times to United Utilities to obtain an explanation. It told me that the changes would be revenue neutral. When I pressed it on that point, it said that, based on the 2003-04 figures, it was £25,000 worse off, but it had managed to rebalance the books. When I asked it about the figures for the next three years, it said that it does not have those figures and that it would be too expensive manually to collect them. How on earth can United Utilities say that those changes, which are only small but which affect my constituents, are revenue neutral? That is an important question for the Government to answer, and it relates to my next point.

United Utilities has also decided to change the way in which it levies water charges on churches. Such charges are now based not on rateable value, but on the actual area covered by the church, including car parks and open spaces. Churches obtain their income from parishioners, and any money that United Utilities takes off them in increased charges for water will come out of the money that they spend on their communities, their churches, their parishioners and their work. I have pressed United Utilities to say whether it will maintain the 90 per cent. charitable discount for churches and places of worship, but it has not answered that question, which I have asked three times. Incidentally, I have also asked the Minister with responsibility for that matter that question, but he has not answered it, either. I need answers to all those questions from United Utilities.

I am rushing through the points that I want to raise. My next point is about NHS Logistics, which is based in four parts of the country. There is a depot in my constituency. The company supplies consumable goods to the national health service and, in September 2006, against my advice and that of other Members, the Government transferred NHS Logistics into the private sector. It was taken over by DHL and is now called NHS Supply Chain. At the time of the transfer, a written guarantee was given to NHS Logistics staff that they would be subject to "Agenda for Change". On 1 April, "Agenda for Change" introduced unsocial working hours payments for everybody in the NHS except those working at NHS Logistics—or NHS Supply Chain, as it is now called. I wrote to the relevant Minister and asked that the written guarantee remain in force and that the staff at NHS Supply Chain benefit from "Agenda for Change". What I got back were a lot of conditions and arguments about why "Agenda for Change" could not be given all across the NHS. This is an important point. I seek clarification from the Government on whether the guarantee, given in September 2006, stands.

That guarantee also contained a promise that the trade union recognition and activities available to workers at NHS Logistics in the NHS would transfer to DHL and NHS Supply Chain. Only recently, a union official at DHL-NHS Supply Chain was suspended for trade union activities, and at a disciplinary hearing was given a six-month warning about them. That is not consistent with the terms and conditions guaranteed in writing when NHS Logistics moved to the private sector. It was also promised that a service agreement should be written between the Department of Health and NHS Supply Chain about what trade union activities will go on; another issue is whether the agreement will be written and binding. The master service agreement has been written and I seek confirmation from the Government that that agreement, signed by DHL and the Department of Health, still stands and will be adhered to. I seek clarification on how the Government will scrutinise whether the agreement is kept.

The penultimate matter that I want to raise relates to the BBC and its trustees. The recently published BBC annual report shows that the BBC should pay tax on taxable benefits given to BBC non-executive directors. The report also confirms that private health care for BBC senior managers is being paid for from the BBC licence fee. We are now told that there is an issue about where BBC trustees live—there is concern that they are too London-centric. I should like the Department for Culture, Media and Sport to consider that matter.

Finally, I pay tribute to a guy called Harry Pyle, a very old friend of mine. Harry died on 29 June this year, aged 85. He lived an extremely full life. He was a committed socialist and a Quaker. He was a power for good in Frodsham and worked extensively in Africa. He did wonderful work with Oxfam and the Jubilee 2000 campaign. He belonged to CND and campaigned against the war on Iraq. Despite my views on that, Harry was a great supporter. I want to put on record my tribute to him and my thanks to him and his wife, Rose, for the work that they did in our community.

3.3 pm

Sir Paul Beresford (Mole Valley) (Con): I want to use this opportunity to raise an issue that I have raised several times. I seek to persuade Ministers, at the Home Office in particular, to improve the legislation on paedophiles—particularly predatory paedophiles who use encryption.

Most of us in the House know that paedophiles collect photographs of child abuse. In the old days, they used hard copies, then they used videos. Now they are into digital data, which are kept on computers, CD-ROMs and DVDs—any form of digital storage. They source the material by downloading from websites, swapping among themselves on the internet and producing their own photographs. The demand for new material is endless and increasing. There have been a number of changes over the years. Internationally, there is a bigger supply. In this country, there is an increasing demand. Worse than that, the level of depravity also seems to be increasing.

Many people see paedophiles as individuals who seek young teens, but the reality is that they increasingly look for material depicting the abuse of very young children—infants, and even babies. Most recently, the material has been able to be encrypted in such a way that the police and even the security forces have been unable to break into it. I have discussed the issue with police experts and the National Technical Assistance Centre, which has the job of breaking encryption for the security forces and the police. I understand from the head of NTAC that an increasing proportion of its work is related to encrypted child abuse data.

Such data used to be difficult to encrypt, but then came along 128-bit and 256-bit encryption that the individuals could download free from the internet. The process has got progressively more simple, and the new Vista Professional operating system means that, at the moment the individuals turn off their computers, all the material is automatically encrypted. Some individuals go further; they have computers with no hard drives and store the data online, often in other countries, and access is hidden by password or key.

Part 3 of the Regulation of Investigatory Powers Act 2000—RIPA, for short—relatively recently introduced a penalty for failure to provide, on request, the password or the key. The problem is that the penalty is not working for the simple reason that it involves two years in jail. The data that the individuals—men and women—are hiding would put them in prison for considerably longer than that and they would also end up on the sex offenders register.

I am requesting a change. I shall give the Minister a brief example. A friend and colleague of mine, Dave Marshall of the Metropolitan police, arrested two individuals who were on the way to France. They had a manual on how they were going to collect and abuse children in France; fortunately, they were picked up first. At one of the individual's homes a computer was found with what was believed to be 150 gigabytes of encrypted photos that could not be accessed—if they were single pictures, that translates to 750,000 photographs of abuse.

The individual involved is a prime suspect in a case involving the abuse of a little girl of three, so the police particularly want to look at his computer. They know that he likes to photograph his activities and are sure that the photos are on the computer. NTAC has had the computer for more than nine months but has failed to break the encryption. The police want the data to convict the individual—and others, of course. They want to collect the names and faces of the children, because they want to care for them. We in the House want such individuals put away for a very long time so that they cannot touch children.

I have raised the issue with Ministers again and again. They are sympathetic, but say that they wish to wait and see how part 3 of RIPA works. It does not work. I cannot understand why we need to wait for more and more paedophiles to escape detection, while little children fail to get the safe care and attention that people expect of our society. There will be yet another Home Office crime Bill; a small amendment in it would rectify the situation and could increase the penalty from two years to at least five, so that our children and babies can be protected.

3.8 pm

Mrs. Ann Cryer (Keighley) (Lab): I would like to talk about one subject this afternoon. Airedale general hospital is situated in a very attractive part of my constituency, at Eastburn in the Aire valley. It cares for constituents of Keighley, Pendle, Skipton and Shipley. It has a well used helipad that works with the accident and emergency department, which cares for climbers, potholers and abseilers from the dales, as well as for others with less rural interests.

This excellent district hospital is the biggest employer in my constituency and is highly regarded by me and my neighbouring colleagues—and, more importantly, by our constituents. However, I wish to draw the House's attention to the long-standing problems caused by lack of investment in the kitchens and canteen. Since 2002, the hospital trust and management have been asked by Bradford's environmental health service to improve the kitchens. At the time, the trust and management explained that funds were not available for that work. Each time the kitchens have been inspected since then, the list of improvements and refurbishments needed has grown. At the moment, they include replacing floor tiles, wall surfaces and ceilings, as well as new, improved methods of air extraction—at a total cost, it is claimed, of £1.5 million.

Last year, I had meetings with management where I stressed the need for the work to be done. By then, however, they had decided that the only solution was to go down the privatisation path. In March this year, the staff were advised that a procurement process was under way to outsource catering. On Thursday of this week, 24 July, the trust will announce its decision. I still hope that catering will be kept in-house and finance will be found for the kitchen refurbishments.

Good food is a very basic requirement, and it goes without saying that it is especially important for people who are unwell and in hospital. The food at Airedale general hospital has been praised. I note that the hospital trust's in-patient survey for 2007-08 stated:

[Mrs. Ann Cryer]

> "Food ratings were well above average with Airedale in the top 20 per cent. of all Trusts—72 per cent. of patients rated food as 'very good' or 'good.'"

Letters to the local paper, *Keighley News*, and website forums have also congratulated the hospital on its standard of food.

I have been advised that before making its decision on catering the trust board will, when allocating the contract or otherwise, take into consideration the following criteria: quality, nutrition, safety, contingency planning, guarantees, value for money and staff transfer proposals. However, public opinion, the responsiveness of local provision and the environment are not included. There is considerable evidence that the public support the retention of in-house catering. Last year, a petition was signed by 650 people in two hours. The story has occupied many column inches in the local press. This is a subject that people really care about, and I have asked that the trust take into consideration the views of local people.

Furthermore, damage is caused to the environment by transporting food over long distances, and freshness is reduced when food is not prepared on site. I believe that the promotion of good food by all public sector bodies, whether schools, care homes or hospitals, is a way of promoting a culture of healthy eating that is clearly needed in this country.

Finally, I want to talk about the staff, who are the most important factor in all this. There are significant implications for those staff, whose numbers have reduced from 92 last year to 65 now and who are working ever harder in very difficult circumstances. Many of them have contacted me. I believe that the interests of staff are wholly and inextricably linked to the interests of patients. Any threat to their jobs, terms and conditions is not acceptable. Catering work is often relatively low-paid, but the work is vital. The hard work and loyalty of these staff has been core to the success of catering at Airedale general hospital, but I am not convinced that there will be any long-term security for their employment rights.

As has been seen on numerous occasions following other such privatisations, there is no turning back, and often good things are thrown away. I hope that these few words will encourage Airedale hospital trust to demonstrate its loyalty to these extremely loyal workers by deciding on the in-house option on Thursday.

3.13 pm

David Maclean (Penrith and The Border) (Con): Before the House rises for the summer recess, I wish to draw to its attention once again the plight of the Cumbrian economy—my perennial rant about our situation in Cumbria. That is because we are still the fifth poorest sub-region or county in the whole of Europe. It is not just me saying that; I am not talking down our county, with its superb people and innovators. The Commission for Rural Communities says in its latest report that people living in parts of rural Cumbria are among the country's worst paid and our areas among the most deprived. It highlights a lack of affordable housing, declining services in rural areas and poorer access to services for people without cars. For those who have cars—and it is essential to have cars in Cumbria—their costs are rocketing for the reasons that we know.

There are things that the Government could do about this. First, they could sort out the Northwest Regional Development Agency and the funding that we are supposed to have through the rural development programme for England, which is funded by the Department for Environment, Food and Rural Affairs and the European Union. We have had a two-year funding gap whereby the money has not come through because the bureaucrats have been wrangling about what we should be doing. Perhaps other areas of the country have also suffered, but Cumbria needs that cash. We do not need political wrangles about how to spend it. We have the innovators—the small business men and women and the rural areas who have the good ideas—so give them the money.

Cumbria is also suffering because of the continuing shambles of the Rural Payments Agency, which is again late in paying hundreds of farmers in my constituency. Although it is not as bad as last year or the year before, they will now be clobbered by the clawback of the money that they were wrongly paid. Twenty thousand farmers in this country were wrongly paid. We know that the Government will behave in exactly the same way as they did with child tax credits. Demands will land on the claimant's mat for the money to be repaid immediately, even though it is not their fault. Many farmers will not have spotted that they have been wrongly paid, so the money will not be there to be paid back—it will already have been reinvested, to use the Government's term. Some farmers will be put out of business when that money is demanded back. It is high time that DEFRA sorted out the shambles of the RPA. Yes, it can be forgiven for getting it wrong in the first year, when it was setting up probably the most complex payments system in Europe, but it is not acceptable to get it wrong in the second and third years. DEFRA should subcontract the payments agency out to Northern Ireland's Department of Agriculture and Rural Development, which seems to be able to pay its farmers on time, or across the border to Scotland.

The plight of the Cumbrian economy has not been helped by the continuing post office closure programme. I utterly condemn the senior management of the Post Office for being the Government's little puppy dog in this. When I phoned the senior officer to say, "We are campaigning to save post offices in my constituency", the answer was, "Well, I'm under instructions to close 2,500 post offices in the country, and if you manage to save one, Mr. Maclean, I'll just have to find another one to close." That was not a threat—she was not being nasty but merely stating a fact. For each post office in our constituencies that we and local people manage to save, another will be closed instead because those are the Government's orders. The consultation has been an utter sham.

I have recently been inundated, as most colleagues probably have, by correspondence about the cost of fuel from people who have to travel in the course of their work. I have just received some letters from workers from the RPA, who point out that they are on 40p a mile—as is everyone in this House, of course—and that their actual motoring costs are now about 52p, 53p or 54p a mile. I have heard from social workers and meals on wheels workers in Cumbria, some on only 39p per mile, who are now, as volunteers, making a huge loss in trying to deliver meals on wheels or social services. That cannot continue. The report on Members' allowances said that the cost of motoring was high and MPs were making a loss, but we did not wish to raise our levels until the Government and the Treasury did it for everyone else in the country. It is vital that throughout the country those essential volunteer drivers, who are driving in the course of their duty, get an increase in their Treasury mileage rates to a lot more than 40p per mile.

In Cumbria, we are facing the additional costs of vehicle excise duty. An area such as Cumbria has a lot more people with cars—they are not the newer, flashier models but older cars. We have a low-paid rural population who do not have access to buses—they just ain't there. We all use trains when we can. We get into our cars and drive the 30 miles to the nearest train station, and then we use the trains. Those lower-paid workers will generally have older-model cars, and they are in danger of being clobbered because of the Government's changes on VED.

I appeal to the Government: to help the Cumbrian economy, let us push the button on the nuclear programme and stop messing around. Cumbria is a nuclear county. It has Sellafield, the only centre of excellence in this country for nuclear technology. We want Sellafield to be expanded; we are willing for it to be a depository for nuclear waste—not a dump, but a depository such as those in Sweden or other Scandinavian countries where people can access it and check on the materials. We will do that for a price. We are willing to have a nuclear reactor in Cumbria. We will take that technology, provided we are not afflicted with more ghastly wind farms destroying the beautiful landscape of rural Cumbria.

At least nuclear energy will contribute to our electricity supply 24 hours a day, seven days a week, and not the 30 per cent. of the time that our miserable wind farms do. Our beautiful county is in danger of being destroyed by wind farm applications at Shap, Berrier, at the foot of Blencathra and now Cumwhinton near Carlisle. They contribute little to our energy needs, but—goodness me—they could certainly contribute 24/7 to the ugliness and destruction of our visual environment.

My penultimate point to the Government is this: please do not muck around with our GP practices and our excellent chemists. We do not need polyclinics in Cumbria. If I had cut my finger in London, I would not dream of trying to search out a local GP. Like everyone else, I would go to St. Thomas's or one of the big hospitals. We know that there is a problem and that London needs health centres and possibly polyclinics. In Cumbria we have had big rural GP practices for years, with six or seven doctors working together in excellent health centres. We do not need polyclinics, and nor do we need the destabilisation of our system of rural chemists—some doctors are now applying to have 100-hour pharmacies, because they believe that their businesses are under threat from the Government's White Paper.

I conclude on this point: as colleagues pass through my constituency in the Lake district this summer, possibly heading for Scotland, the highlands or elsewhere, they will find one or two tiny little parts of it where, if they stop and look carefully, they will see a red squirrel. But they should look very closely, because we are in danger of losing that species. Our red squirrels are in danger of extinction. I appeal to the Department for Environment, Food and Rural Affairs to give us funding for traps to control the greys—let us spend the summer saving the reds.

3.22 pm

Keith Vaz (Leicester, East) (Lab): Saving the reds is, of course, a sentiment that I echo.

This debate should be renamed the tour of Britain because it gives all Members the opportunity to visit, via virtual reality, the constituencies of other Members. The red squirrels of Cumbria are very important to the right hon. Member for Penrith and The Border (David Maclean), and I am sure that the debate will end with the hon. Member for Tiverton and Honiton (Angela Browning) inviting us all to spend our summer holidays in her constituency, seeing all the wonderful flowers that grow there.

I want to spend the brief time that I have to raise a local, a national and an international issue. I have raised the local issue with the Minister before, and it concerns a site in Leicester that is still owned by General Electric, the second largest company in the world. Those who have been to Leicester—I know that the hon. Member for North-West Cambridgeshire (Mr. Vara) frequently visits relatives there—will come off the M1 and drive to Rushey Mead and past the old Thorn EMI site. That site is now for sale. For many years, it made about a third of the light bulbs for the whole of Europe, but it has closed, and GE wishes to sell it.

The land, however, is contaminated, and we have asked the council and Ministers to intervene to ensure that it is not sold for commercial purposes until there is a full and thorough investigation by the local council and the Environment Agency into the reasons for the contamination. It should be put on the market only once the contamination is cleared. Once it has been cleared, the land should be used for housing rather than for commercial purposes or sporting activity. I find it very strange that the Government are trying to force an eco-town on Leicestershire in the western part of my constituency, on what I regard as green belt land. That is a beautiful part of the county, but I can offer them a brownfield site in the middle of Leicester, which will be ideal for house building once it has been cleared of contamination. I hope that the Deputy Leader of the House will give us some good news about the Government's commitment to dealing with contaminated land and on their desire to ensure that when developers wish to build, they should build within cities, where possible, before moving outside.

My second point concerns home affairs issues, although I do not want to turn this into a debate on the programme of the Select Committee on Home Affairs because there will be other opportunities for that. I fully endorse what the hon. Member for North Southwark and Bermondsey (Simon Hughes) said about the march against knife crime that is currently going through Westminster, and I hope to join him and others outside No. 10 at 4 o'clock to show our support for the need to find a solution to that ever-increasing problem. The hon. Gentleman was right to raise those issues, and to raise the issue of peace in Sri Lanka.

I would like, however, to address the Government's decision to initiate a consultation on alcohol. As my hon. Friend the Member for Keighley (Mrs. Cryer) will know, on Tuesday of last week the Home Affairs Committee completed its lengthy inquiry into policing in the 21st century. Alcohol-related crime is an important aspect of the time spent by the police on

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solving crimes of violence. In fact, 46 per cent. of crimes in this country are alcohol-related and, based on current figures, 6 per cent. of hospital admissions are alcohol-related. I welcome the fact that the Government have decided to carry out a consultation on the sale and availability of alcohol.

Cut-price alcohol is offered to those who wish to go to pubs and clubs for so-called happy hours. Our major supermarkets discount alcohol to such an extent that people—in many cases young people—who go to nightclubs on a Friday or Saturday night have already been able to front-load their drinking by drinking cheap alcohol at home. In some cases, alcohol in places such as Asda, Sainsbury's and Tesco is actually cheaper than water. I welcome the consultation, which will last until October. Looking at the alcohol industry and, more importantly, at the effect alcohol has on crime is an important step forward.

Finally, I would like to raise an international point, which relates to Yemen. I declare an interest: I was born in Yemen, and spent the first nine years of my life there. I try to go back at least once a year with the all-party group on Yemen. Members on both sides of the House have had the opportunity to visit that wonderful country. Unfortunately, the Government have decided to restrict travelling to Yemen on the grounds that the terrorist situation has become much worse. The problem with such advice is that people-to-people contact, which is so important to building up relations, is put at risk.

I am not a security expert, but I do not think there is a huge problem for tourists visiting Yemen if they take the advice of the Yemeni Government. In other words, they should stick to the big towns and cities of Yemen, such as Sana'a and Aden—the city where I was born—where the Government give protection to tourists. The advice is sending the wrong signal given our determination to ensure that the Government of Yemen remain in line with our agenda to combat terrorism in that region of the world.

We have a proud record of providing aid to Yemen. We set up the donor conference in 2006, where millions of pounds were raised for Yemen by the countries involved. Some of that money has been spent, and other resources remain to be spent. Because we provided the basis for the donor conference, and have now started a consultation on the Yemen development plan, it is important that we are seen to take a lead in helping the Yemeni people, 35 per cent. of whom live in poverty. The level of ill health among young people there is terrible. As we enjoy our summer holidays, whether in Tiverton and Honiton, or the lovely city of Leicester—whichever pitch right hon. and hon. Members make today—I hope that we remember that there is a world outside. Yemen is not a traditional summer holiday destination for Members of Parliament, but I hope that we will take the necessary steps to protect and support the people of that small and beautiful country.

3.29 pm

David Tredinnick (Bosworth) (Con): I propose to speak briefly about three subjects: knife crime, tax credit problems and choice in health care.

Although I am a Leicestershire Member of Parliament, in 1980, I stood for election to the Greater London council in London, not far from the constituency of the *hon. Member for North Southwark and Bermondsey* (Simon Hughes). I well remember driving back on Friday evening and seeing the whole of Brixton in flames, and the roads cordoned off. In subsequent years, I was at Oxford university researching, specifically, policing and public order in a multi-racial Britain. I looked at the Scarman report, and studied the Bristol and Brixton riots in some detail.

I raise this matter because I fear that the policing strategy and the general attitude to the knife crime wave in London, terrible though it is—I believe that 25 young lives have been lost so far—is slightly off-message. Members with long memories will recall that the key problem addressed by Scarman was the "sus" law: the blanket stop-and-search arrangements that had inflamed relations with the ethnic community. As I consider the strategy to deal with the present problem in London, I am concerned about the possibility that we will repeat the problems of the 1980s, when the perceived strong approach of the police involved targeting large numbers of people in the hope of finding a fairly large number carrying knives and did not involve targeting known offenders. I am concerned that such a strategy will blow up in our faces.

I do not believe that the police can maintain blanket stop-and-search arrangements for a long period. There must be a strategy for targeting the gang leaders. The police have a duty—I think it is in the Public Order Act 1986—to provide public tranquillity, and tranquillity is often enhanced by the presence of police. The new "half police officers" and special constables should be brought into play in that context. However, the situation is worrying: policing by consent is above all essential, and should be the main goal.

About 10 years ago, when we debated speed cameras in the House, the only basis on which Members accepted the proposal for cameras en masse across the country was the understanding that they would be clearly marked. I remember those debates well. I have noticed in the Metropolitan police district—I tabled some questions about this yesterday—new bi-directional speed cameras that are marked on only one side. That strikes me as dangerous. There is a general agreement that safety cameras—or speed cameras; call them what you like—are a good idea, but there will be problems if they do not command public consent. Moreover, I believe that the police are in breach of the guidelines that clearly state that the cameras should be marked on both sides. I could read them all out.

My next point concerns tax credit. What a nightmare! I cannot believe the amount of work that my local tax offices devote to dealing with it. It is generally those with the most problems whose problems are compounded by the lunacy of the Government's overpaying them and then saying "We want it all back." It is madness. I cannot believe the amount of time and misery that it has generated.

I referred a case to the ombudsman, who—not because of that one case, but because there are hundreds of such cases—produced "Tax credits: Getting it wrong?", a scathing report on the Government. The problems are on almost the same scale as those produced by the Child Support Agency, which have bedevilled members of all parties over the years. The position is truly ghastly, and the least well-off generally suffer most. The tax credit system has put people in debt for the first time. People who have never entertained debt in their lives find themselves in debt, just like the wretched farmers—including some in my constituency—who are suffering at the hands of the Rural Payments Agency.

As I have said, Ann Abraham, the ombudsman, launched a scathing attack. How can it be that £1 billion was overpaid last year and a third of tax credit awards were overpaid by more than £1,000—25,000 by over £5,000? We must, I think, consider the way in which the Government have tinkered with tax and credit over the years. The current Prime Minister began by abolishing the family credit system, and then introduced working families tax credit, disabled person's tax credit, child care tax credit and employment credit. He then abolished the married couples tax allowance, introduced a children's tax credit, introduced a baby tax credit, abolished the working families tax credit, the disabled person's tax credit, the children's tax credit and the baby tax credit, introduced child tax credit, abolished employment credit and introduced the working tax credit that we now have. Is it any wonder that people are confused after 15 changes over the years, and that the ombudsman has taken an interest? It is a disgraceful record.

It is no secret among some of my colleagues that I have an interest in integrated health care and have been involved with complementary medicine over the years. I welcome the publication of a long-awaited report by the Department of Health's steering group on the regulation of acupuncture, herbal medicine and traditional Chinese medicine. I am sure that this will interest the Deputy Leader of the House. The report, published on 16 June, recommended that the Government proceed with statutory regulation of acupuncture and herbalists through the Health Professions Council. There is a pressing need for such regulation because we must link our arrangements with European law by 2011, but there is another pressing reason.

What we have found in the whole field of integrated health care is that once there is statutory regulation—this was true of the Osteopaths Act 1993 and the Chiropractors Act 1994; I served on the Committee stages of both—doctors are prepared to refer people. One of our problems with integrated health care, including homoeopathy, herbal medicine, acupuncture and aromatherapy, is that doctors do not want to refer people because they are not certain that those to whom they are referring them are properly qualified. If we can ensure that more such therapies are regulated by Acts of Parliament, many more people will be referred, which will be much cheaper for the national health service.

I hope that my points will be considered. I rest my case.

3.37 pm

Mr. John Grogan (Selby) (Lab): I want to say a few words about three subjects that are close to my heart. Following the comments of the hon. Member for North Southwark and Bermondsey (Simon Hughes) about the great summer of sport that we are currently enjoying, I should like to say a little about cricket, and particularly the broadcasting of cricket. I should also like to say a little about beer, especially in the light of the alcohol strategy that the Government published today. Finally, I should like to say a little about Mongolia.

Simon Hughes: Are the subjects linked?

Mr. Grogan: There could be links, which I shall develop in due course. That sets me a challenge. I did once play in a cricket match in Mongolia, and had a beer afterwards.

I fear that before the House returns in October the England and Wales Cricket Board, led by Giles Clarke, may well sign a new broadcasting contract for 2010 to 2013. It could be the second such contract allowing cricket, alone among all our major sports, no window on free-to-air television. There will be no live matches, but it is live matches that thrill the blood, so that will be a great disappointment.

The hon. Member for North Southwark and Bermondsey mentioned the test match between England and South Africa. I was lucky enough to be there on Saturday. Perhaps it was not the most exciting day of cricket, but it would have been seen by only about 300,000 people on Sky, compared with the up to 8 million who watched some of the terrestrial coverage. Next summer it will be the Ashes series again, yet cricket is still living off the heroes of the last Ashes series—names such as Pietersen and so on are well known. The next Ashes series will be live on free TV in Australia through the night, but not in this country.

There are two ways of progressing, the first of which is the listed events legislation. It is no accident that the Wimbledon final, which is listed and must be available free to air to all the population at a fair and reasonable price to the broadcasting companies, was enjoyed by 12 million people. Every pub, restaurant and club in the land could put it on, and people who were not at all interested in tennis watched it. I fear that if the cricket authorities do not put some cricket back on terrestrial television, Ministers may be persuaded at last that they have to look at the issue again—indeed, we are coming up to a review of listed events.

The second way in which cricket can return to free-to-air TV is simply through the cricket authorities recognising that although they have to make money out of Sky and other subscription broadcasters—Sky does a marvellous job—they can still insist in their contracts that some cricket be on free-to-air TV. Rugby league does that with the Challenge cup, which will be enjoyed on BBC television this weekend. The Football League recently did a broadcasting deal in which it insisted that 10 live matches from 2010 be on free-to-air TV.

There are ways of having cricket on TV and still retaining a good income for the sport. I hope even at this late stage that the English cricket board and the two gentlemen who are negotiating the contracts—I have mentioned Giles Clarke; the second gentleman is a constituent of mine, Clive Leach, who lives in Barkston Ash and is chairman of Durham, and to whom I appeal in particular as a constituent—will think again and see whether at least some cricket, such as part of one of the Twenty20 competitions that were announced last week, could be on free-to-air TV.

The issue is the subject of great debate in the English cricket board. Giles Clarke won by just one vote among the counties last year. In the first ballot there was a tie, at nine votes each, and his main rival and critic, Mike Soper, took a very different view on free-to-air TV. I appeal to the counties of England represented on the

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English cricket board to take an interest in the negotiations over the next few weeks and bring some cricket back to free-to-air TV.

Moving rapidly on to beer and the Government's alcohol strategy, I regret the fact that there was no reference in the alcohol strategy announced this morning to dealing with the below-cost selling of alcohol—particularly beer, but other alcohol, too—in supermarkets, which is a concern across the House. There were some worthy measures mentioned. It is always worth remembering, by the way, that our alcohol consumption per head is falling, although that does not detract from the health dangers facing those who drink too much or the dangers to public order and so on.

The Government need to revisit the issue of alcohol pricing. They will not get away with dodging it. There are many pressures. For example, the Governments in Scotland and Ireland have said that they will legislate. The official spokesman for Her Majesty's Opposition said that they would deal with below-cost selling—in an undefined way, but that is nevertheless a big step forward. Doctors and senior police chiefs are forming a loose coalition demanding action. Even Tesco has said that it would not object if the Government decided to act.

It is ridiculous when alcohol is sold for less than the price of water and when 60 cans or bottles are sold in some supermarkets for £20 or less. The Government need to revisit the issue over the recess. The Department of Health is publishing a study on the relationship between alcohol and price. I say gently to my right hon. and hon. Friends on the Front Bench that we cannot find ourselves in a situation next year where there will be one price of beer or wine in Glasgow, Edinburgh or Dumfries, yet over the border in Berwick, York, Manchester or Leeds—indeed, throughout the whole of England—there will be another. That would not be sustainable. As I have said, Ministers will not be able to dodge the issue.

Finally, as well as being chair of the all-party beer group, I am chair of the all-party Mongolia group, and I look forward to going there next week. The national hero of Mongolia is Genghis Khan, which makes it even more remarkable that Mongolia has developed a market economy and a democracy over the past 15 or 16 years. Given that its neighbours are China and Russia, that is a tremendous achievement. Tomorrow, the Khural, the Mongolian Parliament, will meet for the first time since the most recent election, when sadly, despite international observers saying that it was free and fair, there were some disturbances and five people were killed.

I am sure that the whole House will wish the Mongolian Khural, meeting tomorrow, success in the formation of a new Government and in building the democratic future that it took this House 1,000 years to build, but on which countries such as Mongolia have made remarkable progress in less than 20 years.

5.44 pm

Mr. Robert Walter (North Dorset) (Con): I was scratching my head trying to think about any similarities between the hon. Member for Selby (Mr. Grogan) and Genghis Khan: perhaps they were both beer-drinking cricketers.

I welcome the opportunity to speak in this debate. I could speak about a number of constituency issues, but I shall limit myself mainly to two. The other topical issues would include the latest application to build a wind farm in my constituency, which I hope we will see off; today's announcement by the Secretary of State for Communities and Local Government of her response to the regional spatial strategy, which eats up the green belt in the southern part of my constituency; the crisis in both social and affordable housing; ~~the~~ appalling misery experienced on the A350—the main north-south route—by drivers and those who live near the road; and the suffering of dairy farmers, as we are a hot spot for bovine TB, yet we have seen an almost complete lack of response from the Government.

The two main issues I wish to deal with are economic: one is about the rural economy and the other is about the technological and industrial economy. Although many people may not recognise it, North Dorset does have a technological and industrial economy.

Last week, the list of post offices to be closed in Dorset was issued and some eight in my constituency are on it, while another three are due to be converted to outreach services.

The technological issue concerns the aerospace industry and goes wider than just Dorset, as it deals with the relationship between the United Kingdom and the United States.

Some of the eight sub-post offices in my constituency that are on the list for closure should not be included on it. I hesitate to mount a campaign, but I will be participating in a march from Milton on Stour to Gillingham next Sunday morning, and anyone who wants to join us would be most welcome. I want to mention the post office at Blandford Camp. When the man from the Post Office came to see me, he told me that the post office at Blandford Camp, which is the home of the Royal Corps of Signals, was on the list. I said that that was rather surprising as I had visited it the other day and it seemed to be very busy. He said, "Oh yes, but there aren't enough people at retirement age, there are no benefit claimants and no pensioners." I said, "Well, yes, it is a military establishment, so it is unlikely that there would be any of those categories of people." None the less, I was told, this was part of the criteria, so we need to find some way of countering that sort of "logic", particularly when that post office has an enormous amount of parcels business, for example, which supports our troops serving overseas. I feel that it would be a very sad loss if that post office were closed.

I mentioned Milton on Stour a few moments ago, and its post office is also due for closure. This is a thriving rural community very close to the town of Gillingham, but not in it. It has a very limited bus service, as do other areas with post offices on the list. There is a bus service, but anyone who uses it cannot get back the same day, which is rather illogical if one wants to go out to do some postal business. I implore the Post Office seriously to consider the logic of closing some of these post offices and I implore my constituents to make a very good case for keeping them open, particularly those in remote rural areas, and to write letters individually. Petitions are great, but they do not always do a lot here; individual letters will be more influential. If we can keep up the campaign, we may stand a chance of saving at least some of these post offices.

Let me consider the technological and aerospace industries. Flight Refuelling, a traditional company, has been based in Wimborne in the south-east of my constituency for many years. It is now sometimes known by its parent company name of Cobham, after the founder of flight refuelling. It is the world leader in air-to-air refuelling and almost every aircraft in the world—whether a Boeing, an Airbus or a fighter aircraft—has some bit of refuelling or fuelling equipment that the company has supplied and that has been built in Wimborne.

Air-to-air refuelling is the key issue in which the company is currently involved. On 27 March, after much deliberation, the Government eventually signed the 27-year contract with the AirTanker consortium to provide 14 new Airbus A330 air-to-air refuelling aircraft, which will be worth a lot of money to the Cobham group in my constituency. They will be fitted out at Hurn airport just outside Bournemouth and we can all be proud of that state-of-the-art equipment. However, just a few weeks before that, the United States air force, which needed to replace its tanker fleet, announced that it would buy aircraft of almost the same configuration. That order dwarfs the RAF's order because the US air force is in the market for 179 air-to-air refuelling tankers. That is worth about $1 billion to the company in my constituency.

The only problem is that the US Government Accountability Office, under considerable political pressure from Boeing and Congress, has thrown that very good order into touch, and the contract must be readvertised, despite the fact that the US air force says that it is the best aircraft for the job and that it wants the aircraft. I implore the Government to remind the US Government that we are a net buyer of US military equipment and that we should have a fair playing field for the supply of equipment across the Atlantic.

3.52 pm

Dr. Ian Gibson (Norwich, North) (Lab): The major road between Norwich and London is the A11. Over the years, it has been the butt of many jokes and much comment. For example, it used to be said in the 1960s that, as one entered Norfolk, one would meet the Romans leaving because it took so long to come down the A11. Nowadays, many comments are made about keeping "them"—those crooks from London who come up the main road—out of Norfolk. It is said that if one dualled the road, they would come back quicker. That argument was vehemently presented for the non-dualling of the road. Comments have even been made about the need for a drawbridge in Wymondham in Norfolk to stop people coming in. I cannot repeat what people in Norfolk say about the Chelsea tractors that arrive every weekend at second homes in Burnham, but those driving them would favour a faster road.

If one goes to dinner parties, as I do, with movers and shakers, the first comment that they always make about improving Norfolk is, "Dual the A11"; then they get around to discussing important matters such as creativity, innovation, entrepreneurship and making and doing things. However, the A11 fascinates people and, when I am being mischievous, which happens rarely, I say, "Well, dualling is fine, but in California, it would have five lanes by now." However, I dread that thought, with climate change so high on the agenda.

Other people say that we can always use the trains. Some of us have been fighting the train route from Norwich to London for years. It is unreliable and today's report about Network Rail fits perfectly with our experience of the trains. The train is no substitute—it is so unreliable. Dualling the road is therefore important.

Norwich is a large and vibrant European city, with a route to Yarmouth, which now has an outer harbour. People will want to get from London through Norwich to the outer harbour. We want that fast route to be developed.

This issue was first talked about as long ago as 1971, in Edward Heath's Government. Progress has always stuttered along since then. The proposals for the Attleborough bypass were made in '89, and in '95 they were put on the long-term programme. In 1999, Lord Larry Whitty, then a Transport Minister, said it was a necessity to get the A11 dualled. In November 2001, the Department for Transport—bless it—announced that the A11 was to be made completely into a dual-carriageway. I supported that, and was quite enthusiastic at the time—and I was the butt of many cartoon jokes saying it would never happen. That was the level of argument at the time.

In fact, however, most of it has been dualled. The distance from London to Norwich is 100-odd miles. The stretch between Roudham heath and Attleborough was dualled in 2003, and the Attleborough bypass was also dualled that year. That venture has led to increased road safety and greater journey time reliability. However, the section between Thetford and Barton Mills/Fiveways is still not dualled, and the pressure is mounting to do that. As this remaining stretch is only 9 miles in length this might seem a trivial issue, but I think that that is an argument for getting the job done sooner rather than later. That would excite people—as I have said, it certainly does so at dinner parties. It would excite those in business and in the travel industry, because there are many traffic jams along that stretch of the A11 as the lorries pile up as they move out into eastern England.

There are also environmental debates and difficulties, for instance to do with sites of special scientific interest. There are environmental pressures to bypass Elveden, where Guinness magnate Lord Iveagh has his place. That has been agreed by the Highways Agency, which has bought a piece of land to allow for migrating birds and certain habitats, and thereby to compensate for the upgrade.

The cost of the upgrade of this 9-mile stretch will be £135 million. It astonishes me that it will be that much, but the experts tell me that that will be the cost. I do not want to compare that with the cost of identity cards and wars, as that would be far too political for end-of-term discussions, but I think I have got my point across. I am sure that £135 million could be quietly absorbed, and that would result in a happier business community in the east of England. The East of England Development Agency has come out in support. It says it would boost the local economy by £600 million and it is vital for the region's economy. It would also generate wider economic benefits for the region and bring firms into Norwich and Thetford.

Dualling would not only benefit the region's economy, but, as I have mentioned, it would help tackle the congestion between Thetford and Barton Mills. I and many other MPs representing the region, and many

[Dr. Ian Gibson]

residents of the area, think that investment in the scheme would be a building-block in the continued economic success of our region. The East of England regional assembly—in an amazing burst of enthusiasm that astonished me—recently gave the green light for the 9-mile stretch on the A11 to be dualled and made it a priority. The Highways Agency is giving support, too. It is beginning to be recognised that that area of the country needs to develop. I do not want to go into all the sad stories about jobs and wages in the area, but that is a real issue.

Bringing the project forward will be the important battle. The east of England regional planning panel has voted to recommend prioritisation of the A11 upgrade, and the Department for Transport recently said that,

> "provided there is no undue delay…a scheme start date of late 2010 is still achievable".

It does not really recognise how essential it is to bring that programme forward, and to sanction it and make it happen. If we are to open up this vibrant, creative region of the country to the rest of the world, and make it more than just a place where people have their second homes, dealing with the A11 is a priority.

4 pm

Angela Browning (Tiverton and Honiton) (Con): I am sorry not to be able to follow on from the hon. Member for Norwich, North (Dr. Gibson) on a light note, but today we have formally been given the final list of Devon post offices that have been subject to consultation, and we now know exactly which ones will close. I particularly want to raise the matter today because of my ongoing concern about the impact on village communities, which has been touched on by colleagues. A crude criterion has been applied: whether a post office is more than 3 miles from another one.

One of the post offices in my constituency that is due to close is located in Tipton St. John, a small village in east Devon. We made a very strong case, saying that although its post office is located within 3 miles of two other village post offices, the geography of the constituency consists of narrow lanes that are very difficult and dangerous for elderly people or people with small children to walk along, but we were given the answer that the Post Office had satisfied itself that people could catch a bus to a town.

That fundamental criterion might have been overlooked, but, even more worryingly, the village shop aspect—some post offices are also the local village shop, which is a very important facility in rural communities—does not seem to have been taken into account at all. The post office in Tipton St. John is also the village shop. Our difficulty is that despite the fact that I met the Post Office's representatives twice while the consultation was going on, it has still not recognised that any form of outreach service should be provided in place of the closure. That will be very damaging to the local community. In the other six villages where the intention is to close the post office and replace it with some form of outreach service, several of those post offices are also sited in the only village shop for miles.

I particularly worry about the role of the consumer bodies that are in place to make representations on behalf of consumers. Postwatch wrote to me, putting in a detailed application, to say that it was very concerned about some of the issues that I and many others have raised, However, Postwatch seems to have no teeth, and I think it almost a foregone conclusion that these Post Office consultations are a mockery. The most one can do for one's constituents is try to negotiate the best deal possible on outreach services, because, as we have heard, if one saves one post office, the chances are that the post office in the next village may close in order to meet the requirements.

Members of Parliament have been placed in a very difficult position, but so too has Postwatch. Given its role in the process—it says that it has focused very much on the 3-mile limit between post offices that has been set—it seems to me that many of these consumer bodies, which, at one time, would have been championing the rights of consumers and would have been at the forefront of campaigns, have lost all their teeth. I put it to the Government that they have deliberately manipulated many of these representative consumer bodies and watchdogs, which look after things such as postal services and monitoring health service complaints. The Government keep changing these organisations every few years until they have reduced them to being the most ineffective bodies. I intend no disrespect to the people involved in them today.

The post office closure exercise has shown us that if Members of Parliament, the consumer bodies and large campaigns—even though people engage in them in the best hope and faith that they will change minds—cannot make these changes happen, this exercise has been on paper only; it has not been a proper consultation. There will be long-term consequences for the viability of rural communities, such as the villages of Kennerleigh, Newton St. Cyres and Plymtree in my constituency.

The other issue that I wish to raise is that of charity shops. I have several small market towns in my constituency, with populations of between 8,000 and 10,000. Shopkeepers in those towns are increasingly concerned about the number of charity shops. No one is saying that there should not be any charity shops —I have opened some—but I have received correspondence, which I have forwarded to the appropriate Minister, from the chamber of trade in Honiton about the balance that needs to be struck when planning applications are made. The question is how many charity shops can a small town accommodate before the regular traders start to feel disadvantaged? I know that there are trading standards rules on what charity shops can sell, but the traders have a point. I ask the Minister to consider the appropriate number of permissions granted for charity shops to trade in small towns before they start to undermine core businesses.

It would not be the end of term debate, as the right hon. Member for Leicester, East (Keith Vaz) said, if I did not invite all colleagues to visit my beautiful constituency during the long summer recess. Hon. Members have heard me talk about the beauty of my constituency before. It has two wonderful national parks nearby—Dartmoor and Exmoor—, and Devon has wonderful beaches both north and south—

Jeremy Corbyn (Islington, North) (Lab): How's the weather?

Angela Browning: I am coming to that. Colleagues who dined in the Members' Dining Room three weeks ago will have experienced the regional menu of Devon produce, including Devon crab cakes and ruby red Devon beef from the Coombe estate in Gittisham in my constituency. So this year, I encourage colleagues to come to the beautiful county of Devon and, especially, to my constituency to take advantage of the wonderful home-produced food. It is not just cream teas: even vegetarians would love the ruby red Devon beef. It is to die for. It is delicious. I hope that everyone has a very happy holiday, and welcome to Devon.

4.7 pm

John McDonnell (Hayes and Harlington) (Lab): I cannot match the exotic invitations to Devon, Mongolia or the A11, but I wish to raise a couple of matters of concern to my constituents. I start, inevitably, with Heathrow.

Last night, Members may have seen the "Panorama" exposé of the Government's decision-making process on the development of Heathrow airport and the information about it obtained by various freedom of information requests. It confirmed that the decision to allow the expansion of Heathrow was made on the basis of information that was "doctored"—it is the only way to describe it—by BAA. That doctoring included the invention of an aeroplane that does not exist yet and is not likely to exist because no manufacturer is willing to create it. That was included in the modelling for the air pollution and noise estimates.

Allegations were also made in the programme about collusion between Government officials and BAA. It is now time, as I have said in an early-day motion that I have tabled today, for a full public inquiry into the decision-making about Heathrow by this Government. It is clear that the Government must now reject all further expansion at Heathrow, because the undoctored evidence demonstrates that if the Government allow it, they will not be able to meet European directive restrictions on air and noise pollution.

I hope that hon. Members will find time today and when we return to sign that early-day motion and that the Government will reject further expansion at Heathrow. I hope that at the same time we can have that inquiry into how a Government can make a policy decision that is based on information doctored by a private company.

The next matter that I want to raise is the BBC resources section. I have constituents who work there, including Mr. Mark Cody, to whom I pay tribute. He has soldiered on, exposing what is happening in that section of the BBC. Some hon. Members will remember that we had a debate earlier in the year in which we drew out some of the information about what is happening with the BBC and its licence. We were then told that the BBC resources section, which includes studio production, post-production and outside broadcasting, was to be sold off. The target was £150 million of income. We now know that £3.4 million has been spent on consultants and advisers to sell off BBC resources, yet only one division—the outside broadcasting division—has been sold, for £19.3 million. The rest of the negotiations have collapsed.

All that money has been spent, and the worst thing for my constituents—in particular for Mr. Mark Cody, who has explained this to me and to others through his union, the Broadcasting Entertainment Cinematograph and Theatre Union, is that members of staff have been left virtually in the dark. They have been offered various commitments about protection through TUPE—the Transfer of Undertakings (Protection of Employment) Regulations 2006—if their division is sold off, yet that protection amounts to very little, particularly when it comes to the threat to their pensions, their future wages and their working conditions.

I urge the BBC to start to consult the union properly, to ensure that there is openness and transparency and to ensure that people like Mark Cody are kept fully informed. At the moment, if he is transferred at some future stage, there will be a pension shortfall and he will lose part of his pension, his conditions of service will be undermined and his employment will be threatened. That problem affects loyal staff in a profitable area of the BBC.

Events in another section of the BBC will affect my constituents, too. The BBC is not only outsourcing but offshoring. The latest scheme is to offshore the World Service—the BBC proposes to move major parts of the World Service abroad. The service is directly funded by the Foreign and Commonwealth Office, so there must have been some consultation with the Government. For example, the south Asian broadcasting service in Urdu, Hindi and Nepali will be transferred offshore to India, Pakistan and Nepal. That section represents a third of the World Service's audience, attracted, of course, by a superb and excellent independent service.

The problem of offshoring the services to those states is that they come within the ambit of local laws. Already, the BBC has been threatened with censorship by the Pakistani authorities as a result of some of the stories that it wanted to produce and broadcast. In addition, staff are being told that they can transfer abroad on lower pay and short-term contracts and to often unstable and unsafe locations, or they can face redundancy. That is a take-it-or-leave-it offer for those staff, many of whom built up the service over the years. It has a standing and credibility across the world that is second to none. None of the issues with the BBC's performance is acceptable. I urge the Secretary of State for Culture, Media and Sport to review those matters and to report back to the House.

The final area of concern that has been raised by my constituents is what has been happening at Shelter, the housing charity. Some Members might know, because they have been written to by Shelter's staff, that Shelter's senior management team has been forcing through changes in staff conditions and contracts against the wishes of the majority of staff, 60 per cent. of whom are unionised and represented by the Transport and General Workers Union, now called Unite the Union. That situation has led to industrial action for the first time in the 41 year history of Shelter. Shelter staff report to me that there is demoralisation and key expert staff are leaving as a result of the imposition by management of cuts in wages and working conditions.

That must be a concern to us all. Many Members on both sides of the House have worked with Shelter over the years; it has provided us with an excellent service in briefings and other materials, as well as campaigning on issues such as homelessness. At a time when we have a housing crisis, especially in terms of affordability, and

[John McDonnell]

when repossessions are rising, to undermine Shelter is to undermine an organisation that provides us and the homeless with a service.

Interestingly, before the management sought to impose pay and condition cuts on their staff, they gave themselves a significant wage rise. In fact, the chief executive, whom I met, gave himself an 18 per cent. wage rise just before he started sacking his own staff. The staff themselves have had an average pay cut of £2,300. There have been cuts in wages of £800 per annum, and increased hours. We are told that some staff are now having to work three weeks extra for no additional pay, yet the headquarters has been cosmetically refurbished for £750,000, and £500,000 has been spent on consultants to advise the management on how to cut the wages and conditions of the staff.

I urge the Shelter board to intervene. I have met the chief executive of Shelter, who says that this is actually to do with the way in which contracts are awarded by the Government. If that is the case, I urge the Government to meet the Shelter board to resolve the problem before this essential organisation is undermined. We must not undermine Shelter's status and the services that it provides to Members of this House and to homeless people as a result of its campaigning. It would be a tragedy, in this year when we need the organisation so much, if it were undermined by the way in which its brutal management are dealing with its dedicated staff.

4.15 pm

Lorely Burt (Solihull) (LD): I should like to speak for a few minutes on a subject that I know is close to the hearts of many hon. Members. We are all suffering, or have suffered, or will suffer, from post office closures in our constituencies. We in Solihull are lucky—if that is the right word—because only three post offices are earmarked for closure. However, having lost several important post offices in the cull that we experienced a few years ago, each one that we have left plays a vital role.

Our story in Solihull is also being played out across the country, and the questions that it raises are pertinent to every Member's constituency. The hon. Member for North Dorset (Mr. Walter) mentioned the criteria that can be used to try to obtain a reversal of a decision to close a post office. Three criteria of which I am aware are: unforeseen planning proposals that might increase unpredicted footfall; the difficulty of reaching other, more distant, post offices; and the deprivation that would be suffered as a result of the closure.

By extraordinary coincidence, one of those three criteria pertains to each proposed closure in Solihull. In Haslucks Green road, in Shirley, a superstore and shopping development is planned, despite the fact that we already have six supermarkets in Shirley high street. I have fought bitterly against the Asda superstore, but our failure to prevent this unwanted development has turned out to have a silver lining. Haslucks Green post office is just a few hundred yards away from it, and it will be besieged, not least by people who cannot even get to the superstore because of the traffic congestion that will be created.

Distance is another criterion that can be used. The Post Office, having encouraged the owner of the post office in Catherine de Barnes to grow his business, is now suggesting that it should be closed. I cannot match some of the ridiculous examples given by other hon. Members about people being unable to get a bus back home from the post office the same day, but Catherine de Barnes is a small village, and the bus to Solihull only comes about every 70 minutes, if we are lucky. The idea of going anywhere other than Solihull by bus is really not feasible. The post office is the only shop in the village, but it has a unique advantage in that it has a combi-counter which offers post office services seven days a week, up to 9 o'clock at night. People come from miles around to use it.

Deprivation is the third criterion. In Olton Hollow, there is more sheltered housing and, arguably, more elderly people than anywhere else in the borough. Olton Hollow, as the name suggests, is in a hollow, so anyone wanting to reach another post office would have a physical and metaphorical steep hill to climb.

Citizens Advice carried out an online survey, and it might help the House if I were to quote some of its findings. Citizens Advice feels that six weeks is too short a time for the proper consultation of vulnerable people. More than 90 per cent. of those who completed its online survey said that they would be personally affected if their local post office were to close, while 75 per cent. said that they would be significantly affected. In addition, 75 per cent. of respondents to the survey said that they could get to a local post office on foot, but only 14 per cent. would still be able to do so if the local office closed. For people on benefits, of course, there would be an additional cost if they could no longer reach their office on foot. The survey found that half of the over-65s and nearly half of those on means-tested benefits visited post offices several times a week. Despite what the Government may say, more than 60 per cent. of the over-75s still use the post office to pay many household bills.

In Solihull, just as elsewhere, other criteria apply that are not being given proper consideration. For example, what happens if the nearest alternative is already too busy, with elderly people waiting in queues for long periods of time? We were not allowed to run a petition inside the post office in Shirley as the shop is owned by the Co-op, so the owners of 35 local shops agreed to take it instead. Many of them said, "For goodness sake, please don't let them close the post office at Haslucks Green, because we don't want to have to wait 45 minutes at the one here." They said that even though the post office in Shirley was physically nearer for them.

What about parking? If it is a nightmare to park near the nearest post office, what will that mean for people forced to use transport to reach their post office? What about the effect of a post office closure on the surrounding local economy? In Olton Hollow, for example, the closure of the post office will affect the footfall in the local parade of shops.

When I raised these questions with the relevant Minister this morning, he blamed the decrease in post office business on changes in technology such as the internet. Of course, some patterns of business do change, but many services, such as the provision of TV licences, have been withdrawn from post offices. Moreover, different criteria now apply for online payments such as for car tax. Following the withdrawal of Post Office books, there has been the reluctant introduction of the Post Office card account. Although that account is difficult to apply for, it remains phenomenally successful, but the Post Office now faces the indignity of having to tender for its own post office card accounts services.

When services are withdrawn, and when people find it more difficult to get to their post offices and queues are longer, that means that the Government are making the post office network unsustainable. In the midlands, there are 160 proposed closures, and only four decisions have been reversed. I am concerned that there is some sort of conspiracy. Our communities are putting themselves through the pain of fighting to save their precious post offices, but it seems to be a done deal already. I have tabled an early-day motion stating that the word "consultation" must mean just that, and that the result must not be a foregone conclusion.

4.23 pm

Shona McIsaac (Cleethorpes) (Lab): I always love taking part in these debates, as they are one of the few opportunities that Back Benchers have to raise their constituents' concerns. In the last such debate that I took part in, I raised the matter of free travel for pensioners in my constituency. One of my local councils was restricting free travel for pensioners, but I am pleased to report to the House that pensioners in my constituency had their free travel restored on 2 June. That shows how powerful these debates are.

I also raised some fears and worries about the closure of Waltham fire station and the loss of a pump at Immingham fire station. I appealed for more time, as any closures that were to happen would have been announced in the middle of the recess. The announcement was put off but—sadly—we shall find out about the future of those fire stations on Friday. I want the fire authority to think again about the impact of the fire station closures on our communities.

One reason why I make that point is that last Christmas—I do not know whether hon. Members recall this—there was an explosion at Fred's Taxis in Immingham. Sadly, two women who worked there, Ann Mawer and Sue Barker, lost their lives. The inquest was held this week, and it recorded verdicts of accidental death as a result of the explosion, which was caused by the storage of petrol on the premises. We do not yet know what caused the petrol to ignite. I have been working with Ann's sisters to ensure that the law is better enforced, or indeed changed so that there are stricter controls on how much petrol can be stored on domestic premises and very small commercial premises of the type used by most taxi firms. We could lose a fire appliance at Immingham, where the accident took place. In light of those two tragic deaths, I am sure that Humberside fire and rescue authority will understand why people are so concerned.

Last year, Immingham was subject to flooding, and some constituents were out of their homes for more than a year. A lot of that had to do with loss adjustors and insurance firms delaying giving people the money and the go-ahead for building works. Again, the fire and rescue service was crucial in assisting many of the people who were affected by the floods, so I call on the fire and rescue authority to think again. I hope that that campaign will meet with success.

I praise the Government for announcing that there will be a water and flood management Bill. I have received a wealth of information from constituents who were affected by the floods last June, and I will forward it to Ministers so that they can see some of the suggestions that my constituents have made. Last year, there was a focus on places such as Hull, but a lot of the floods in my area were in the more rural parts of the constituency. We have to address those concerns, particularly with internal drainage boards.

I have already raised in the House the issue of the A180, and the need to get that damned noisy road resurfaced. One section has been resurfaced, and it has been announced that another section will be resurfaced. However, there is a catch: only half of it—the westbound, but not the eastbound, carriageway—will be resurfaced. Who at the Highways Agency came up with the idea of resurfacing just one side of the dual carriageway to reduce the noise? If the equipment is on site, let us do all the work. I will not stop campaigning until every section of concrete on that road is finally stripped off, and until the road is re-tarmacked.

Also on the subject of roads, I am sorry to say that in Barton-upon-Humber yesterday there was a fatal accident in which a pensioner was knocked down and killed on the crossing in the marketplace. I send my condolences to her family. Town residents have long complained about the safety aspects of the crossing. There is a lot of industry in the Humber area, and there are many heavy goods vehicles. They continue to go through small towns, market towns and villages in the area, although there is a perfectly good dual carriageway, albeit a noisy one with a concrete surface. They choose to go through the villages. Some people have told me that that is because their satnavs sometimes direct them by the shortest route, rather than by the main roads. I want something done about the number of HGVs that use towns such as Barton-upon-Humber—people say that the situation there was an accident waiting to happen—and Immingham, which I mentioned earlier. HGVs continue to thunder through the centre of that town, past schools and shops. We need to address that issue.

Another transport issue that I should like to bring to the House's attention is that of free school transport. There has been a bit of a fuss in my local area recently, as North Lincolnshire council intended to withdraw some of its free school transport, and to start means-testing those who used it. I am pleased to say that the council has changed its mind following a revolt by parents worried about the safety of their children if the free transport were not applied. North East Lincolnshire, the same council that withdrew free travel for pensioners last year, is also going to go down the road of means-testing children's transport to school. Clearly the council has seen the fuss caused in the neighbouring authority and I hope that North East Lincolnshire council, as it did with bus passes, changes its mind about removing something that is free and starting to charge for it.

Last week it was announced that North East Lincolnshire council was to receive more than £3 million from the Government to refurbish kitchens in schools. Several years ago, many of the kitchens in primary schools were removed. I am pleased that the campaign has paid off and that money will be invested in school kitchens.

While I am on my feet, like the hon. Member for Tiverton and Honiton (Angela Browning), I will extol the virtues of British seaside resorts. If people wish to

[Shona McIsaac]

come to Cleethorpes, we are more than happy to welcome them to our wonderful sandy beach with probably the shortest pier in the world and definitely the very best fish and chips in the world. I wish all hon. Members a good, relaxing and peaceful recess.

4.31 pm

Mr. Dai Davies (Blaenau Gwent) (Ind): I am grateful for the opportunity to speak on behalf of my constituents on a number of issues and I shall try to use as little time as possible.

First, I pay tribute to one of my predecessors in representing Blaenau Gwent, Aneurin Bevan. In this, the 60th anniversary of the health service, it is a great pleasure to represent the area and to be linked alongside such a great man. I pay tribute to Tredegar Medical Aid, one of the organisations that influenced Bevan in pushing forward the national health service, and to the people of the south Wales valleys, who showed that co-operation coming together with funds could benefit more than just the individual.

The NHS principle of treatment free at the point of need is as important now as it was 60 years ago. Bevan would be proud that the NHS is still in existence, but I believe that he would be disappointed in the fact that ill health remains and that the divide between rich and poor is as wide now as it was then. Health inequality between industrial heartlands such as my constituency and the wealthier areas of the country is nothing to be proud of. The differences between those areas are far too great.

Bevan said that the NHS should be for the rich and the poor, who should be treated alike, and that poverty should not be a disability and wealth not an advantage, but the statistics show that where we live is as important in assessing our life expectancy now as it was after the second world war. Life expectancy for those in the well-off areas is some 10 years more than in the poor areas. Infant mortality rates are much higher in the poorer areas. A lot of that has to do with poor housing and education, in which we need to invest. Those areas in poverty are remaining in poverty and we have done very little to lift them out of it. Infant mortality rates show a health inequality gap: one in five children in poverty, but one in 20 in the more affluent areas.

Bevan said that the reason to gain power was to give it away, but we should not give it away to management consultants within the health service. We should give it to the people who need to make the decisions—the doctors, nurses, cleaners, cooks and patients. Bevan's co-operative commonwealth for health is as relevant today as it ever was.

I wish to refer to two other issues, the first of which is the Post Office, as raised by many Members. I want to concentrate particularly on the Post Office card account. The average card lobby that I receive on any particular issue is a dozen, perhaps 20 cards. I have brought a sample of the 500 I have received about the card account, and I guess that the number will be higher in the bigger constituencies. That shows what the general public think about supporting our post offices. The Secretary of State for Communities and Local Government recently launched "Communities in Control". She spoke at length at the Dispatch Box about petitions, but there is no point in encouraging individuals to take part in petitions and the political debate if the Government ignore the outcome. Petitions show the need for the Post Office card account to remain with the Post Office. The Government want to spend taxpayers' money to the best of their ability, but surely the card account protest shows that taxpayers want their money spent on retaining the card account where it belongs. The Government must listen to that referendum.

Finally, youth inactivity and youth crime have been mentioned by a number of hon. Members. When I was a young man, which was a long time ago, youth crime and crime in general took place in the big city. Now, even gun crime and knife crime have shifted across the country, and they have probably touched all constituencies. If one were to sit down in a room with elected representatives, the police, teachers and people in the community who work in such areas, problem families who are always in trouble could be identified. The process begins with a mum and dad who are perhaps disfranchised for whatever reason. When that mum and dad have two or three children, the problem gets that much bigger. We need to deal with such problems at the core, because it is no good being reactive—we must be proactive. Some of those families need 24-hour support and the help and encouragement of others to put their lives right. Changing a social worker without allowing representation, which breaks continuity, is unacceptable. We cannot play with youth worker involvement, which should be there as a matter of course. Education has a huge role to play.

Wonderful community groups work in my constituency, and they put on shows for young people. However, they have to raise some £10,000 for a week's show, which is a lot of money for a small group to raise. All we seem to see is community centres closing for lack of funding, which is not continuity and which disrupts the community. Short-term project funding instead of long-term solutions is not the way forward. The community knows what it needs, and we must consult the community at large to find out what it wants.

I thank you for this opportunity to speak, Madam Deputy Speaker, and I wish everyone, including House staff, a restful summer recess.

4.37 pm

Mr. Mark Lancaster (North-East Milton Keynes) (Con): The expansion of Milton Keynes remains one of my constituents' main concerns. I will begin with a partial review of the "South East Plan", which was published recently. Although we have known for some time that Milton Keynes is expected to absorb some 50,000 dwellings by 2026, it has come as a shock to discover that we are now expected to provide some 5,600 dwellings to the east of the M1.

For those hon. Members who do not know my constituency, the M1 forms the boundary of the city of Milton Keynes. Rural north Buckinghamshire lies to the east of the M1, and I fear that housing to the east of the M1 will be the thin end of the wedge. Interestingly, the Government always claim that they are keen to consult the local population, but when they did so—albeit briefly—last year, of the six options that were put forward, the one option that included housing to the east of the M1 was the least preferred among local residents. Yet again, the consultation was a sham, and the Government have decided not to follow the wishes of local people.

A connected issue, which I have raised in this House on many occasions, is my campaign for "i before e", or infrastructure before expansion. If Milton Keynes is to expand, it is vital that the infrastructure is in place. In recent weeks, I have raised my concern in the House that we are some £24 million short of our basic needs allocation for schools. Furthermore, the Government have told us that all our problems will be answered by the innovative Milton Keynes tariff, a system whereby £18,500 will be given towards the Milton Keynes infrastructure for every new house that is built. However, such schemes rely almost entirely on a strong housing industry. During this economic downturn, fewer houses are selling in Milton Keynes, so we are not getting the income from the tariff. In turn, it appears that many of the schemes that we hope to deliver in the next two years—such as the new multi-storey car parks in the city centre—will have to be delayed. The Government put all their eggs in one basket when it came to the delivery of the Milton Keynes infrastructure. Will the Minister consider again how we are to deliver that infrastructure, which is much needed?

Connected to that issue is the future of the grid roads in the city. Those who have come to Milton Keynes will be aware that it is one of the few cities in the country that can be crossed in 10 minutes. That is because of our marvellous grid road system. Yes, it is very much designed for the car—that may not be particularly green in the modern age—but it is effective. Yet it appears that the new east and west expansion areas will not have the grid roads and that there will be some sort of hybrid system—a "worse for all" system.

Today, the Leader of the House said that she wanted an e-petition system for Parliament similar to the one for No. 10 Downing street. I tell the Deputy Leader of the House that some of my constituents petitioned No. 10 about saving the grid road system, and were concerned that the reply was so ill informed as to state that Milton Keynes council was the planning authority for the east and west expansion areas. As the hon. Lady may be aware, it is not Milton Keynes council, but Milton Keynes Partnership—the unelected, unaccountable quango—that is the planning authority. Given the lack of research evident in the replies to the petitions to No. 10, what hope is there for the system when it is extended to Parliament?

I want to raise three brief issues about trains. As a result of the severe overruns on Network Rail engineering works in early July, the Office of Rail Regulation agreed a set of 25 milestones for Network Rail so that progress towards the December delivery could be monitored. That, of course, will affect hon. Members, many of whose constituencies are on the west coast main line. Each of the milestones is vital if we are to meet the December timetable, so if one goes, the whole project will disappear. Yet there will be only two reports on the milestones in the next two months. I would be grateful if the Minister came back to me to explain why there cannot be a monthly progress report to ensure that the services are met.

I turn to capacity. Milton Keynes continues to expand. Unfortunately, we have had to give up the battle of trying to get the Virgin trains that stop in Milton Keynes to allow passengers on. At the moment, they can only get off during peak hours, despite empty carriages. That seems ludicrous. I understand the arguments that in future there will be greater capacity for more northern towns, but why can we not allow passengers on the trains at the moment, as Milton Keynes continues to expand?

We are also concerned that for every one of its two high-speed links to the City, London Midland, which provides the commuter service, could be holding up slots for seven Virgin Pendolino trains. As pressure increases in years to come, the slots may well be lost. I seek assurances from the Government that Milton Keynes will continue to get its fair share of slots for commuter trains.

I also want to raise the issue of compensation from train operating companies. In the past, automatic compensation was paid—in cash, directly to affected passengers and season ticket holders—when major disruptions occurred. Such incidents were classified as "void days". Today there is no such classification; it is left to the individual to claim from the train operating company. It is up to the individual to prove their inconvenience by having to keep detailed records of their potential journey. That is inconvenient to the point of being unworkable, as few passengers have the time or resources to record in detail every problem that they encounter. Under a supposedly simplified system recently announced by the Government, there is no provision for strike-day compensation for season ticket holders. What the individual train operating companies do is up to them and even if alternative transport arrangements are provided, they are often inconvenient and the passenger suffers extra journey time and financial hardship.

Although there is no legal requirement, the train operating company can, at its discretion, pay compensation, although of course it invariably chooses not to. Many of my constituents feel that that is unacceptable. Even if compensation is paid, it is now done in vouchers, not cash. Although those vouchers can be used against season ticket renewal at a future date, if the person does not use the train for other journeys, it is months before they can use the vouchers. My constituents are clear about what they would like to be done: for lost days, a return to the old system of automatic cash compensation; for strike days, an automatic refund, the same as for lost days; and for the payment to be in cash, not vouchers.

Mr. Robert Goodwill (Scarborough and Whitby) (Con): Will my hon. Friend give way?

Mr. Lancaster: I am afraid that I have no time—I am sorry.

In the final few moments that I have, I want to raise the issue of the British grand prix moving from Silverstone to Donington park. Although Silverstone is not in my constituency, much motor racing activity is, and it would have a severe impact on my constituency should it move—on the hotel business, for example, because many people going to Silverstone stay in hotels in my area. Although I realise that this is not a matter directly for the Government, the Minister concerned has recently had meetings with Bernie Ecclestone. All I ask is that we perhaps move to a system whereby the British grand prix can alternate between Silverstone and Donington park.

4.45 pm

Anne Milton (Guildford) (Con): I echo many of the comments made by my hon. Friend the Member for North-East Milton Keynes (Mr. Lancaster). The "South East Plan" was published last week amid an unnecessary degree of secrecy. I phoned the office of the Secretary of State for Communities and Local Government on several occasions last week and was told by her staff that they did not know when it would be published. In fact, they clearly did know because there was a ministerial statement on Thursday. I cannot see why it was felt necessary to keep it secret. That does not inspire confidence in my constituents, who will now be involved in the public consultation that will continue until 24 October.

The changes to the draft visions of the regional spatial strategy will see an increase in the original housing numbers of 31 per cent. for Guildford and 9 per cent. for Waverley, and of note to my constituents will be a 25 per cent. increase in Woking. That will clearly lead to the green belt around Guildford being destroyed. The plan says:

> "In order to meet regional development needs in the most sustainable locations, selective reviews of Green Belt boundaries are required in the following locations:
>
> In the Metropolitan Green Belt to the north east of Guildford and possibly to the south of Woking".

I draw attention to the report commissioned by the Government—I will be interested in the Minister's comments—from experts Roger Tym and Partners, who warn of the effects of imposing unsustainable building targets on the south-east. They say that the building plans will

> "have a negative effect in all sub-regions on the objective to reduce the risk of flooding…A number of trunk roads are likely to be unable to cope with the predicted traffic demand…There is some over-loading on most routes into London and all sub-regions adjoining London would therefore likely be under stress under the higher growth forecasts…Increasing the provision of housing under all our scenarios will result in a regional deficit in water supply, with many areas in severe deficit of water resources".

Last July, the Prime Minister said:

> "I assure the House that we will continue robustly to protect the land designated as green belt."—[*Official Report*, 11 July 2007; Vol. 462, c. 1450.]

In a No. 10 lobby briefing on 10 July, he said:

> "Green belt land will stay as green belt land. Yes we can give you an assurance that we will not build on the green belt land. We are not proposing any changes to our very robust protection of the green belt."

Yet the green belt is specifically mentioned in the "South East Plan" and my constituents will see the potential for its being built over. Can the Minister explain how those statements square with the proposals in the plan?

I pay tribute to East Guildford Residents Association, and particularly to the chairman, Dr. Graham Hibbert, who has long worked to improve the local environment in Guildford. EGRA, as it is known, includes Abbotswood, Burpham, Chantry View road, the Cranley road area, Downsedge, Holy Trinity, Merrow, Shalford and Tyting farm. More than 2,500 people are represented through that organisation. EGRA says:

> "The plan is bad news for Guildford…Guildford will undergo major expansion which will irrevocably damage its heritage and compromise its future. The scale of growth proposed is not primarily targeted at helping current Guildford residents who want to buy and live here. We seriously doubt that, as a gap town in the Surrey Hills, Guildford can be an economic and housing hub".

I would also like to pay tribute to the Guildford Society. Many market towns have similar societies, and they do a huge amount in their own time, spending hours going through planning proposals. As it points out, Guildford

> "is in a gap in the Downs and is surrounded by Green Belt on all sides and by Areas of Outstanding Natural Beauty. The town lies within the 5 km buffer zone of the Thames Basin Heath Special Protection Area. Significant areas lie in the River Wey flood zone. The constricted roads are already at capacity…If we expand on the scale proposed Guildford will grind to a halt."

All those associations, and all my residents, are extremely concerned about these proposals, and it is not at all clear how, when or if the Government will deliver the infrastructure improvements necessary.

While we are on the subject of infrastructure, I would like to say a little about Guildford, its funding and our roads. We are a significant contributor to the Treasury coffers. Local residents pay a heavy price for economic success in terms of congestion and traffic, but that is not recognised in our funding settlements. As one county councillor said to me, we have double the amount of car usage and half the amount of money. Indeed, the Government's settlements show that in 2008-09, Surrey received a minimal increase in Government grant of 2 per cent.

Total Government funding equates to just 18 per cent. of the annual budget. The remaining 82 per cent. has to be funded through council tax. Government funding represents approximately £205 per head for Surrey residents, compared with an England average of £595, and £856 in Manchester, but we are one of the few areas that contributes to the Treasury.

Turning to police funding, only 42 per cent. of Surrey police's budget is funded by the Government, but Northumbria and Greater Manchester only have to find somewhere in the region of 10 to 15 per cent. We pay a heavy price. The Government want us to take more houses, but they are not prepared to give us the money to ensure that Guildford keeps moving or to ensure that local business remains a success.

As time is so short, I would like to finish by mentioning Cranleigh and Milford hospitals. Local residents have fought for a long time to keep Milford hospital open; my hon. Friend the Member for South-West Surrey (Mr. Hunt) played a significant part in that. On Cranleigh village hospital, the decision made two years ago by the former Guildford and Waverley primary care trust to proceed with the so-called option 1 has finally been shelved as a result of a damning independent panel report. The decision made by the former Guildford and Waverley PCT was taken up and run with by Surrey PCT, and if the Deputy Leader of the House has some time in the recess and wants a little holiday reading, I can recommend the report of the independent panel. It is outstanding. I am now at a loss to know how to reassure my local residents that Surrey PCT can fulfil its obligations and duties. The report contains comments such as:

> "'no apparent links to social care'; 'Workforce plans are not developed'; 'no evidence of how the proposals will increase the availability of day care surgery'; 'Not possible to assess whether more OPD services will be available'".

The report goes on and on.

I know that the trustees of Cranleigh village hospital, Cranleigh parish council, the League of Friends in Cranleigh and the GPs in Cranleigh have a superb plan that will deliver all the Government's objectives for providing care close to where people live. I urge the Deputy Leader of the House to apply any pressure she can to ensure the successful delivery of that project.

4.53 pm

Dr. Richard Taylor (Wyre Forest) (Ind): The best invitation I can offer to the House is to my party conference—the conference of independent health concern. It will take place in my garden, after a very good buffet lunch, on 7 September. We will be discussing my own manifesto for the national health service. I shall share it with the House for a few minutes now, because I am sure that there are a lot of votes in it for all parties.

My manifesto for the NHS contains seven points, and a lot of them support and add to Lord Darzi's review. The first, which does not appear in the review but which I consider incredibly important, is the abolition of prescription charges. We know that they are unfair, and that an inquiry is being carried out at this moment. The Secretary of State for Health told us today that the result would be produced shortly, but he then said that it was some months away. The process has been going on for months and months, which just shows how difficult it is to make any sense out of prescription charges if they remain.

We are told, in an attempt to reassure us, that only 13 per cent. of people pay the charges. However, they include people with long-term conditions—for instance, young people with cystic fibrosis—who a few years ago would not have survived. One young lady told the Select Committee on Health that she was taking 85 tablets a day. Those with long-term conditions such as Parkinson's are not exempt, yet those who are lucky enough to have thyroid disease, which is easily put straight, are exempt from charges for every medicine that they might need in the future. The people most affected are working adults whose incomes are just above the income support level.

We are told by the Government that abolishing prescription charges would cost £450 million a year. That is a fraction of the national health service budget, and about a quarter of last year's NHS surplus. However, even if the Government desperately want to find another source of funding, I think that this is one of the occasions on which a tiny hypothecated tax on the super-rich would be borne by everyone concerned.

The second point in my seven-point manifesto is, of course, quality. I have four Cs. The first is care, which includes safety, avoiding errors and using the best treatment protocols. The second is compassion, which includes dignity and kindness. The third is communication: communication between clinical staff and patients and their relatives at home and in hospital, and communication between hospitals and GPs and between GPs and hospitals. An article in this week's *British Medical Journal* asked:

> "Can we call this failure of information transfer care at all? Isn't the truth that this institutional behaviour of non-communication is just carelessness and neglect?"

According to Lord Darzi,

> "High-quality care is care where patients are in control, have effective access to treatment, are safe and where illnesses are not just treated, but prevented."

Darzi recognises both the difficulty and the importance of measuring quality, but it must be measured. Until we have a better way of measuring it, surely complaints about quality, particularly those that come to Members of Parliament, should be passed on.

The third of my seven points is competition. Obligatory reading for everyone involved in it is an article in the *Journal of the Royal Society of Medicine* by Richard Smith, a recent editor of the *BMJ*. He has reluctantly come to see that competition may be essential. As I have supported the NHS so intensely throughout my life, it goes against the grain for me to realise that it is like a great big juggernaut or tanker which cannot easily be turned around. Perhaps we must appreciate that there is something in competition, but if we do, we must bear in mind some of the criticisms of the experience in the United States—worded very well—that appeared in the *BMJ* at the end of last year. The authors observed:

> "Extensive research shows that its for-profit health institutions provide inferior care at inflated prices... commercialisation drives up costs by diverting money to profits and fuelling growth in management and financial bureaucracy."

The *New England Journal of Medicine* said in January this year:

> "The extreme failure of the United States to contain medical costs results primarily from our unique, pervasive commercialization."

If there is to be competition in the NHS, it must be regulated. That means a fair and level playing field, open to NHS providers as well as non-NHS consortiums. An example of unfairness is where out-of-hours care is put to tender, but where there is no definition of how the service is to be provided, so that the non-NHS providers can come in with a reduced skill mix and thus offer it more cheaply.

Fourthly, all providers—hospitals, GP conglomerates and mental health providers—should be able to go for foundation trust status, because it means that they can engage with Members, keep their surpluses and, by so doing, have money for quality awards.

Fifthly, we should accelerate the work of the National Institute for Health and Clinical Excellence, as recommended by Darzi. That would be part of the answer to co-payments.

Sixthly, patient and public involvement in commissioning is crucial. We have to strengthen local involvement networks and overview and scrutiny committees.

My final point is about health care rationing—we are scarcely allowed to use the term; we have to use "prioritisation" instead—which is essential. I quote again from *The Journal of The Royal Society of Medicine*:

> "The final recurring theme, present throughout the last 60 years and no doubt into the next 60, is the thorny question of rationing health care...The future of rationing health care will provide a key battleground for the NHS."

Several hon. Members *rose*—

Mr. Deputy Speaker: Order. Before I call the next hon. Member to speak, may I say to the House that if everyone now takes their full eight minutes, we will probably not get everybody in, but that if they reduce it a little, we might? Perhaps hon. Members will bear that in mind.

5.2 pm

Mr. Michael Moore (Berwickshire, Roxburgh and Selkirk) (LD): Thank you, Mr. Deputy Speaker. I will seek to honour what you have just said.

As the right hon. Member for Leicester, East (Keith Vaz) said, we have had a tour of Britain. We have heard a lot about the different experiences in England and Wales, and I should now like to draw Scotland into that picture, too. There is a theme linking many of this afternoon's speeches, which is essentially that the Government are failing in particular areas. That is generally the case in rural Britain and, as I see it, particularly so in my constituency. Some key decisions will be made over the summer by the Government and the agencies acting on their behalf. Currently, I fear that they will make the wrong kinds of decisions.

One issue is that the Government are failing to understand the realities of rural Britain and the extra pressures of the increases in the cost of living, particularly in fuel and, as was mentioned earlier, the changes to vehicle excise duty. Local businesses in my constituency, whether in the fishing communities or the textile industry in Hawick or elsewhere, are struggling with the extra costs that have been imposed on them in the past few months.

Like many others who have spoken, I face the prospect of post office closures in my constituency being announced in a few weeks. There are 3,500 pensioners who go to post offices each week to get their pensions and 3,500 other people who collect their benefits there. They depend on a network of post offices spread across the vast, beautiful constituency that I represent. I rather fear that, as others have said, the criteria are not designed to ensure that we get a sustainable network that services the local community in the way required. Thousands of my constituents have signed postcards, and thousands have also signed the sub-postmasters' campaign on the Post Office card account. I hope that the Government will hear what has been said throughout the country about that.

A related matter is puzzling for many of my constituents and must be dealt with—the issue of the Royal Mail and its address database. A number of communities in Berwickshire—for example, the villages of Foulden, Hutton, Paxton, Lamberton and Mordington—have a Berwick-upon-Tweed postcode. I have no wish to cast aspersions on the good people of Berwick-upon-Tweed, but my constituents are very firmly in Scotland, even though they have an English postal address. It can be plain irritating for the people concerned, but it can also have serious consequences for official documentation about which country they live in, for example. It can affect insurance premiums in areas where small villages are linked to nearby towns and it can also affect deliveries to those areas. A community such as Fountainhall, a full 15 miles from Galashiels, has a Galashiels postal address, which can cause utter confusion, particularly when people try to buy or sell a house. The Royal Mail has frankly refused to accept that it has any responsibilities in this matter. It has refused to accept that the commercial database that it sells has consequences for people such as my constituents, who are the consumers in this case. I hope that the Government will look further into this issue and force the Royal Mail to rethink.

This summer, pay phones are to be closed across my constituency. Very little account has been taken so far of the poor mobile phone coverage in the area or of the fact that pay phones are often the emergency lifeline for these communities, so I hope that we will see a rethink of plans to close the 46 such phones selected for closure, which represent 27 per cent. of the unprofitable boxes in my constituency—a higher proportion than in just about any other part of Scotland.

Soon after we return from the recess, one of the biggest changes affecting the country as a whole will start in earnest in my constituency when we switch over to digital television. I have raised many issues about this matter in the past, but I want to refocus the Government's minds on "Freeview Lite" and the fact that anyone served by a relay transmitter will get a second-class service with far fewer channels, whether it be on the TV or the radio. With my area having 11 relay stations, almost half my constituents, through no fault of their own, will get that second-class service. If we combine that with doubts about the future of ITV regional news and concerns about the allocation of the digital dividend from the switchover process, we see that very serious problems surround the entire digital switchover process, and the Government need to address them—urgently.

One issue causing great anxiety and anger among farmers in my constituency is the proposal to introduce electronic identification tags for sheep, which is going to be compulsory by the end of 2009. We all understand why biosecurity and disease control are uppermost in our minds and we understand the need to follow through the food chain and ensure proper traceability, but one size cannot fit all. With the farming community comprising many different farms with more than 1,000 ewes across the beautiful hills of my constituency, it is simply not practical to implement those proposals. We need a risk-based approach that will be affordable, proportionate and cost-effective for all concerned. A batch recording system would offer us such a scheme, and I am appalled that so far nobody has been able to take it up and accept it. I hope that the Minister will support a feasibility study and a Scottish trial to ensure that we see off the nonsense of the current proposals.

Finally, I want to say a few words about the future of the Her Majesty's Revenue and Customs offices in my constituency. So far, we have heard very little detail about the costs that the Government plan to save. I have tabled parliamentary questions and I hope that I will get a response to them. We are in danger of losing high-quality jobs in an area that can ill afford to lose them. It is time for the Government to look hard again at what they are proposing. I hope that they will do so and send out a signal that they understand rural areas.

5.9 pm

Mike Penning (Hemel Hempstead) (Con): Many comments from hon. Members of all parties have been about the Post Office card account, and I will discuss the Post Office's future shortly. However, since Christmas, a couple of events have taken place in my constituency that I would like to bring to the House's attention. On the Dexion front, 700 of my constituents had their pensions stolen from them five years ago. After five years of campaigning, before I was a Member of Parliament and subsequently, with all those people sticking together, trying to get justice for themselves, the Government eventually introduced a compensation package, which would have given my constituents 80 per cent. of the pensions that were stolen from them. We did not accept that—we stood our ground and got 90 per cent. Those payments have started to be made in the past few weeks. That proves to me that, if a community sticks together, no matter how big the organisation against which it is fighting, it can win.

Those who drive through my constituency often get stuck because of roadworks on the M1 between junctions 6 and 10. Those works will be finished at Christmas and the widening of the road will open up Hemel Hempstead to much more retail use and many more businesses on the industrial estates. Sadly, the Government appear to have shelved the road widening from junctions 10 to 13, so my hon. Friend the Member for North-East Milton Keynes (Mr. Lancaster), who was here a few moments ago, will still get stuck because the Government have shelved the plans north of Luton.

On a sad note, like many hon. Members, I have been inundated with concerns from my constituents in the rural and urban parts of my constituency about the closure of three post offices. The craziest aspect of the post office closures is the way in which they affect the most affluent and the poorest parts of our constituencies. Most people in the village of Potten End in my constituency would agree that it is a fairly affluent community, but it survives with one shop, with one post office inside it.

Another part of my constituency, the Heights is, according to Government figures, one of the most socially deprived wards in the country, with the highest unemployment and economic inactivity in my constituency. It also has the most pensioners in my constituency. Believe it or not, that post office, too, is closing.

When the Post Office explained to me that the closures had to go ahead, I asked, "If my constituents fight, fill in petitions, send letters and contact the head of the Post Office, what difference will it make?" The reply was, "We can't tell you. We're in consultation." I then simply asked what percentage of consultations were successful. Let us all be honest with our constituents—on what percentage of the consultations does the Post Office back off? The answer is 4 per cent. Ninety-six per cent. of proposed post office closures in this country go ahead. Let us be honest: the Government have made a decision and created an economic environment in the post office network that makes post offices not viable—I intended to use another word, but it was inappropriate for the Chamber. They are not viable if business keeps being taken away from them and we do not let them sell the products for which our constituents prefer to use the post office.

The other sad situation that continues is that of Hemel Hempstead hospital. Other hon. Members have also expressed concern about the future of their hospitals. The hospital is not Victorian, not falling down—it was built in the 1970s—and has been expanded over the years. Other hospitals in the Hemel Hempstead area have closed to join the central site, which is close to the M1 and the M25. A decision was made to close acute services there—the elective surgery would go to St. Albans and acute services would go to Watford. We fought that decision and delayed it; we fought it again and delayed it again. However, on the very day of the wonderful service in Westminster abbey to celebrate the 60th anniversary of the NHS, while I was in the queue to go through security, I took a call from the chief executive of West Hertfordshire Hospitals NHS Trust, who told me that, in the first week in March, Hemel Hempstead's acute services will close and be moved to Watford. For those who do not know where Watford hospital is, it is smack bang next to Watford football stadium. If Watford play at home—I wish the team every success; many of my constituents are Watford fans—they get a reasonable crowd and there is traffic chaos. An extra burden will be created because the Queen Elizabeth II hospital in St. Albans is to close. How on earth are two huge towns such as Watford and Hemel Hempstead, as well as St. Albans, to cope? We will fight the decision. We will not lie down and roll over. There will be another huge demonstration in my constituency in the autumn, when my constituents will again show that they do not want to lose their acute hospital. We do not want a polyclinic to replace an acute general hospital—indeed, we do not want a polyclinic at all. Our surgeries are vibrant and well served. None of the lists of any of the surgeries in the town are full, yet we will have a polyclinic in the middle of it imposed on us, with a catchment and list of about 8,000. That means that some of my surgeries will suffer.

Finally, let me return to football. Sport has been talked about a lot today. Many of the people in the northern part of my constituency support Luton Town football club. It is a wonderfully historic club, but it is going through some particularly difficult times on the pitch, which have been exacerbated by poor management and the attitude of the Football League to a small club such as Luton Town. It will go into the season with a 30-point deduction. It will not survive that, so it will go out of the football league and into the conference. For any team in the country, a 30-point reduction would lead to relegation. For Luton Town, it will mean the end of league status. I do not believe that if Luton Town were Liverpool, Arsenal or any other premiership club, this would have been done to it. It has been done to it because it is a small club in a small community, and it has been hammered by the bureaucrats who want to set an example. They would not have done that to Arsenal, Liverpool or Manchester United; they should not be doing it to Luton Town.

5.15 pm

Mr. David Amess (Southend, West) (Con): Before the House adjourns for the summer recess, I wish to raise a number of points, but I promise colleagues I shall do so briefly. I would not describe the Government as being in a state of disarray; I actually think they have disintegrated, and I am worried that if this drift continues until 2010, when we must have a general election, the situation will be very serious.

My first point is to do with death. Constituents have petitioned me about the proposed closure of a local coroner's office. The office serves my constituency and surrounding constituencies. The proposal has been made without any consultation with the coroner, any related staff or the public. It will diminish the service, and we will be the only jurisdiction without a local service. I hope that message will be passed on.

On post offices, last night I presented a petition signed by more than 1,000 people. It refers to the post office at 553 London road. The post office has been there since 1886, and the area I represent has the greatest number of senior citizens in the country. They cannot go to the post office in Hamlet court road. We

[Mr. David Amess]

have suffered closures in Fairfax drive, West road, The Ridgeway and Station road, so yet another post office closure would not be acceptable, and I am holding Gary Herbert and Clare Lovett to be as good as their word to me last week and to listen to my new representation—thereby pushing up the proportion my hon. Friend the Member for Hemel Hempstead (Mike Penning) mentioned from 4 per cent. to 5 per cent.

Her Majesty's Revenue and Customs office in Southend is being reorganised. If that goes ahead, there will be a reduction in the local work force of 20 per cent. which would cause devastation locally with another 100 job losses on top of those already announced in 2007. This seems to go completely against the Thames Gateway strategy.

I also wish to draw attention to the new local housing allowance that was introduced on 7 April. Anybody on local housing benefit who changes address will be reassessed under this scheme, and their rent benefit will be curtailed. The effect of that in my constituency is that local residents who are having to change property are in dire straits. This was a cost-cutting measure.

My penultimate point is about equity release. I recently met the director-general of Safe Home Income Plans. The organisation regulates firms that offer equity release packages. In the current economic climate, senior citizens are suffering terribly, so they are having to look into equity release. Safe Home Income Plans deals only with reputable firms, but I am very worried that given the declining reputation of this way of releasing equity, representatives of any number of firms that are not reputable will knock on the doors of senior citizens, who may not be able to read the small print of the documents they are shown.

Finally, I wish everyone a very happy summer, in particular the Land Army girls, including my mother, who will be receiving their medals tomorrow.

5.19 pm

Dr. Julian Lewis (New Forest, East) (Con): This is a rather personal speech, and I apologise for that. Shortly after it became clear that we had won the campaign to prevent MPs' home addresses from being disclosed as a result of future freedom of information requests, an honourable Labour lady Member who had suffered badly from the disclosure of her address approached me with a warning. She said, "Be careful Julian, you will be targeted next for what you have done."

I had expected from the outset that by organising this campaign, I would inevitably sacrifice some of my privacy by drawing attention to my own electoral arrangements, but I spelt them out in detail in the Whitsun Adjournment debate on 22 May, explaining how I have always registered under a nom de plume for security reasons, by arrangement with the electoral registration officer. On 4 July, the chief executive of New Forest district council, Dave Yates, wrote me a friendly letter in his capacity as electoral registration officer, saying that he wanted me to reconsider my practice of doing that, which had recently come to his attention. That was because the arrangement I had made to do that every year since 1996 had been superseded 12 months ago, by a new system of anonymous registration that needed to be counter-signed by a chief constable. As soon as Mr. Yates supplied me with the new form, I completed it and obtained the necessary signature, and I am now anonymously registered for the next five years—although it turns out that I may have been wasting my time.

I asked Mr. Yates whether I was correct in thinking that the matter had been raised with him by Terry Scriven, a retired colonel in the military police who will be standing against me at the next election, and he confirmed that that was so. Mr. Scriven could easily have asked me openly about this matter, but he is the sort of individual whom, unfortunately, one encounters from time to time in public life—the sort of person who smears one in the papers but rushes to shake one's hand when one meets him. He insinuates wrongdoing without having the guts openly to accuse one. His political party is irrelevant to this sort of behaviour, which I have experienced on a number of previous occasions.

Dave Yates saw no reason to deny that Mr. Scriven had e-mailed him about my registration arrangements, and eventually I was sent the relevant exchanges. The first e-mail was headed

"registration as a voter under a false name".

It identified my home address in the constituency and asked who had authorised the procedure. The chief executive replied—I believe that he did so on 11 July—confirming that I had been registered under the nom de plume by arrangement with the previous electoral registration officer for reasons of personal security, but that, as the law had changed last year, I would be using the new system in future. Mr. Scriven said that he accepted that, and that should have been the end of the matter.

However, last Friday—just seven days later—my office was informed by Dave Yates and another senior council official, Dave Atwill, that a journalist had been in touch stating that he had seen an e-mail from Dave Yates that seemed to suggest an irregularity in my registration. The journalist was none other than Ben Leapman of *The Sunday Telegraph*—the only participant in the freedom of information court case who had demanded the publication of all MPs' home addresses in order to check that we are not fiddling our expenses.

I fully accept that a newspaper is perfectly at liberty to employ any journalist it likes, although the choice of Mr. Leapman by *The Sunday Telegraph* has a certain incongruity; it gives me the sort of feeling that Labour Members would have if *The Guardian* took on my hon. Friend the Member for Stone (Mr. Cash) or my hon. Friend, as I call him, the Member for Castle Point (Bob Spink) as its European Union correspondent. Unfortunately, apart from employing an anti-Conservative activist as a political journalist, *The Sunday Telegraph* has bought into his reckless campaign to expose MPs' addresses and has done everything it can to attack me and suppress the arguments against this.

I have reasonably broad shoulders—I would not have taken up this issue in the first place if I did not. However, one thing alone dismayed me: the fact that I knew that Terry Scriven had gratuitously included my home address in the e-mail correspondence with Dave Yates. If, as I had every reason to suspect, Mr. Scriven had disclosed these e-mails to Ben Leapman, I wanted to know whether he had at least had the decency to remove my address before communicating with the one reporter in the country who had ardently campaigned for the publication of MPs' home addresses and who, it is reasonable to infer, is extremely upset at the fact that, thanks to my campaign, that will not now happen.

I therefore asked my office colleague, Mrs. Di Brooks, who is sadly not a retired colonel but a rather tough-minded, former RAF non-commissioned officer, to send Mr. Scriven the following e-mail:

> "Dear Mr Scriven,
>
> Julian understands that you have made available to a newspaper journalist the exchange of emails between Dave Yates and yourself.
>
> As you know, and appeared to accept, there are security reasons why Julian does not wish his home address to be made public.
>
> Will you please confirm, as soon as possible, whether you removed the…address from these emails before you disclosed them to a third party?"

Now all Mr. Scriven needed to reply was that I was mistaken and he had not disclosed the e-mails to anyone. Alternatively, he could have admitted doing so. What he actually said was:

> "Good Evening Di,
>
> Very nice to hear from you.
>
> I am sure Julian is aware of my security background. I support him totally in keeping the addresses of MPs, Prospective MPs and indeed Councillors addresses private and out of the public domain (this includes journalists)."

That was not exactly a direct answer to the question, so Di wrote back again:

> "Dear Mr Scriven,
>
> Two simple questions…Have you disclosed any of the contents of any of Dave Yates's and your e-mails about Julian's address to a newspaper reporter or haven't you? A simple yes or no is all that is needed … If the answer is yes, then did you remove the details of his home address … or didn't you?"

Instead of getting a simple yes or no to either of those questions, she received this reply from the straight-talking colonel:

> "Dear Di,
>
> I think you need to read my mails carefully and I also think you need to think carefully about how you phrase your emails.
>
> Finally, let us…be clear about the role/capacity you are writing what appear to be demanding emails to me."

Such exchanges were repeated several more times, with Mr. Scriven ducking and diving, dodging and weaving, but ultimately saying that he would "clear up any confusions" I might have at an event on Sunday at which we would both be present. However, he did not do that, and I handed him a very short letter which asked him to state, without further prevarication, direct answers to those two questions. He took the envelope and headed at high speed to the nearest gentlemen's toilet, where he remained for several minutes. It is conceivable that he did not open the envelope there, but I find that hard to believe. Nevertheless he still did not answer the questions.

In the meantime, Ben Leapman had been pestering Dave Yates with phone calls at home on Friday evening, trying to stand up a story that I had behaved illegally by registering under a nom de plume. Mr. Yates sent Leapman away with a flea in his ear and wrote to me yesterday saying that he is

> "happy to confirm to anyone who is interested that your dealings with me and my Electoral Registration officers have been in complete good faith on all occasions."

Finally, after several more e-mails and a deadline, I received a letter this morning from Mr. Scriven, who finally assured me that he did not disclose the information. He suggests that it could have been released because people had put in freedom of information requests to the council and got hold of the e-mails that way. I have checked with the council, and no such information request was made. I therefore have to rely on *The Sunday Telegraph* to tell me whether Ben Leapman is now in possession of my private home address, which is quite properly anonymously registered, irrespective of whether the e-mail correspondence was supplied to him by Terry Scriven, phantom FOI requesters, Father Christmas or little green men from Mars.

5.27 pm

Sarah Teather (Brent, East) (LD): Two and a half months ago, a man was stabbed to death at the end of my street. Michael Mann, who was in his early 40s, was killed by a single stab wound in front of his partner, Natasha, and their six-month-old baby, leaving a bewildered family to try to pick up the pieces. The trauma of that experience was exacerbated considerably by the complete incompetence of Natasha's housing association, PCHA, which refused to take her request for rehousing seriously, despite the fact that it was her neighbours from an adjacent flat who were arrested for the murder and then bailed. Sadly, that is an all too common experience.

Michael Mann's murder brought to a close a period of relative calm in Brent. We had begun to think that we had turned a corner after several years of high-profile gun and knife crime fatalities. The most famous and shocking was the killing of the child Toni-Ann Byfield in 2003. It is seared in my memory because she was murdered just days before the by-election in Brent, East, and the front pages of the newspapers that told the story of my victory also carried photographs of children carrying candles in a vigil outside the house in which she was killed.

Things had seemed a little better until May this year, when three people were killed in the space of just a week. The toll now stands at two fatal gun attacks and two fatal stabbings. The headlines have all been about young people and gangs, but the fatalities in Brent this year have been adults, mostly killed by other adults, with causes ranging from domestic violence to neighbour disputes. It is a complex picture and we need to be careful not to make too great a generalisation about the causes. There is no doubt that the fatalities of adults have masked many other incidents involving young people, which are often not reported to the police because of fear or because of a lack of belief in the police's ability to tackle the problem.

Policy Exchange's recent report, "Going Ballistic", said that only one in four young offenders thought that the police could protect them from crime. More shockingly, two thirds of those who thought that the police could not protect them had previously been threatened with a knife, so there is often a cycle. Perhaps the greatest challenge in tackling knife crime is tackling the fear that everybody else is carrying a knife. It is important to put on the record that a recent random search of 300 young people at a school in Brent found that none of those children was carrying a knife. The concern about knife crime, which is rightly expressed, often fuels that fear in young people and means that they think that they will

[Sarah Teather]

be safe only if they all carry a knife. There is a desperate need to tackle that problem, perhaps with better and closer relationships on a ward level between community police and young people.

Research on gun crime in Brent has turned up a similarly complex picture. The council commissioned research that was published in 2005, and is going on to commission further work that looks at the causes of gun crime in Brent. The 2005 research contradicted many of the stereotypes. It found that gun crime was not just a problem of one ethnic group against another, and neither was it about drugs. It is not necessarily directly related to gangs. We have had gang problems in Brent, but the research shows that the incidence of gun crime is not always related to gang crime.

As Policy Exchange found, the distinction between victims and offenders is often blurred. The Brent study found that all those people who offended with guns have been victims of crime. Most had been victims of gun crime and half had had family or friends who were directly affected. Perhaps the most interesting feature of the research and the most common feature between offenders was a hyper-material culture and attachment to overt wealth. There is a bit of a moral parable about what happens when someone values things that they can see rather than things that are about them as an individual. When that is coupled with a fear of violence, it is easy to see how people can get into a cycle where life is cheap.

We have many ongoing projects in Brent that work through the umbrella project, Not Another Drop. I want to highlight one particular project, which targets young people who are thought to be at risk of or on the cusp of being involved in serious violence. It is called In-volve RAW and focuses on young people in the south Kilburn area of my constituency and in Harlesden and Stonebridge in neighbouring areas, as well as the Harrow road corridor that runs between those two areas. It focuses on raising self-esteem and trying to tackle the problem caused when people's sense of value is about overt wealth rather than themselves. The project tries to reverse negative self-images and, in particular, tries to help young people to deal with anger and a sense of hopelessness. It is an interesting project that I hope that the Government will look at carefully and consider replicating in other areas.

Finally, I want to mention the fact that that project, along with many other projects in Brent, suffers from a lack of consistent and stable funding. It is difficult for the council and other community organisations to plan the funding of good projects in Brent when initiatives and priorities constantly change. I have one plea for the Government: will they consider a more stable way of funding this difficult work with difficult communities, who need long-term work in order to build up trust?

5.33 pm

Mr. Stewart Jackson (Peterborough) (Con): I am mindful of the time constraints, so I shall be brief. I want to bring to the attention of the House an important issue concerning the practical flaws in the Education and Inspections Act 2006, and in particular in how it operates in relation to failing schools. I voted for the Bill two years ago and feel predisposed to make comments, which are not party political in nature, on it. I invite the House and the Deputy Leader of the House, through her Ministers, to review what actions are needed to ensure that the provisions laid down to deal with failing schools can be used with greater alacrity.

My concern is for some of my constituents' children who have been adversely affected as a consequence of an ineffectual head teacher, a weak and compliant governing body and a local education authority that was willing to act but was circumscribed by legislation. The school to which I refer is St. John Fisher school, a Roman Catholic voluntary secondary school in Peterborough. It is a mixed school of 744 pupils and, until quite recently, it was one of the highest performing schools in the Peterborough local education authority area. The school operates within the Roman Catholic diocese of East Anglia and, in particular, within the diocesan board of education.

From 1999 until 17 July this year, the school's head was Mary Mihovilovic. She resigned last week for personal reasons, and this week signed a compromise agreement. Significant problems were identified at the school, particularly in regard to the management of the school and the quality of the education, as long ago as 2004, when a warning notice was issued by the local education authority as a result of a serious breakdown in the way the school was managed and governed, which was seen as likely to prejudice future standards of performance.

The initial warning in that year was subsequently rescinded. It was clear, however, that things were not improving. In the past four years, results have plummeted, the school has had difficulty in attracting and retaining newly qualified teachers, and the head teacher was the only head teacher in the country who refused to take part in the excellence clusters programme. Trade unions surveyed the staff, and the results that were presented to the governing body showed a culture of centralised control, bullying and intimidation. This was routinely dismissed by the governing body as an attack on the head.

The senior management team refused to communicate with outside bodies such as the diocesan board, the LEA and Cambridgeshire constabulary. "Difficult" governors were removed, and teachers who would not co-operate with the head were asked to resign or made redundant. There were questions about the appropriateness of having a personal friend of the head as the chair of the governors. It has emerged only in the last few months that the governing body actually voted for a £20,000 fund for legal fees to enable the head to send legal letters to people who fell foul of her, including some on the LEA and the diocesan board.

Matters reached a head in late 2007, when the governing body removed an LEA governor, Councillor Stephen Goldspink—who also happened to be the deputy leader of the city council, and who was attending an extraordinary meeting of Peterborough city council at the time—for having the temerity to complain about the inconvenience to his constituents of inconsiderate parking by some parents at the school.

This year, it has been confirmed that the school is now on the infamous list of 638 failing schools, having fallen below the target floor. By 27 February this year, Peterborough city council had issued a warning notice to the school on the basis of pupil bullying, declining standards, the effectiveness and function of the governing body, staffing issues and a lack of willingness to engage with external partners and stakeholders. A section 8 inspection by Ofsted in April resulted in one of the worst inspection reports for any secondary school in the Peterborough local education authority area, the school being rated inadequate in 19 out of 26 categories. On 5 June 2008, the school was put into special measures under section 13 of the Education Act 2005.

The key question now is how will the present legislation, Ofsted and the Department for Children, Schools and Families be able to deal with a rogue governing body and a head teacher who refused to acknowledge or engage with statutory bodies, and who used delay, obfuscation and the appeal process for more than six months, which is more than half the school year? That is the problem that we face. Lessons need to be learned, particularly in regard to the role of the diocesan board, which had no statutory powers to intervene, and to the process of appeals against the legislation.

Thankfully, the school now has a new head, Mr. Sean Hayes, formerly the head of St. Alban's school in Ipswich, and a new interim independent executive board. They are focusing on discipline and teaching standards and on improving poor results. I wish them well, but we must remember that some of the most deprived children in my constituency have lost a vital year in their education.

I ask Ministers to ensure that such a situation could not and should not happen again. I implore the Deputy Leader of the House, perhaps in her remarks at the end of the debate, to give an undertaking to that effect.

Bob Spink (Castle Point) (UKIP) *rose*—

Dan Rogerson (North Cornwall) (LD) *rose*—

Mr. Deputy Speaker: I call Mr. Shailesh Vara.

5.41 pm

Mr. Shailesh Vara (North-West Cambridgeshire) (Con): Thank you, Mr. Deputy Speaker, and may I also thank all the—

Bob Spink: On a point of order, Mr. Deputy Speaker. Is it possible to find a way either to extend the debate, or reduce the amount of Front-Bench time in what is essentially a Back-Bench debate? That would enable Back Benchers who have sat here all day to deliver their speeches, even though they might have only a few minutes to make their—

Mr. Deputy Speaker: Order. The hon. Gentleman is an experienced Member of this House and he knows exactly how we operate. It is unfortunate that people who have been here all day sometimes do not get called, but there is nothing that the Chair can do about it other than to exhort Members to take a little less time when they speak. Now we are only taking time out of what remains. I call Shailesh Vara.

Mr. Vara: Thank you again, Mr. Deputy Speaker, and may I take this opportunity to thank everyone who was able to contribute to this end-of-term debate? As always, a number of issues were covered, ranging from the local to the international.

The hon. Member for Lewisham, West (Jim Dowd) made a very conscientious speech, and not for the first time he spoke about the local transport situation affecting his constituents. Resolving those problems will not be easy, but I certainly wish him well in all his efforts.

The hon. Member for North Southwark and Bermondsey (Simon Hughes) spoke for most if not all hon. Members when he rightly welcomed the moves being taken towards achieving some sort of peace settlement in Zimbabwe. However, given President Mugabe's record in these matters, we must recognise that these are only talks. We must maintain the pressure on Mugabe and his regime, as we will be able to have a sense of rejoicing only when an actual result has been achieved. I should also like to take this opportunity to welcome the involvement of South Africa's President Mbeki, who I very much hope will use his considerable influence in other parts of Africa.

The hon. Member for Weaver Vale (Mr. Hall) gave a very knowledgeable speech, in which he raised some issues concerning United Utilities. He said that he wrote to United Utilities three times before he got a reply, and that he is still waiting for a reply from the Minister. However, if the past record of ministerial responses is anything to go by, even when he gets a reply from the Minister he will probably need a lot more than three supplementary letters before he gets a substantive response.

My hon. Friend the Member for Mole Valley (Sir Paul Beresford) gave a very serious speech about the data stored by paedophiles. He has spoken about the problem before, and he has considerable expertise and knowledge about it. All of us in the House wish him well in his endeavours to ensure greater protection for children and families who are victims of paedophiles.

The hon. Member for Keighley (Mrs. Cryer) spoke up for catering staff at Airedale hospital trust. I very much hope that the decision due to be taken on Thursday is the right one for all concerned.

A number of hon. Members raised the very real issue that affects constituencies around the country: the closure of post offices. My hon. Friend the Member for Tiverton and Honiton (Angela Browning), my right hon. Friend the Member for Penrith and The Border (David Maclean), as well as my hon. Friend the Member for North Dorset (Mr. Walter) and the hon. Member for Solihull (Lorely Burt) all described how the closure of local post offices was ripping the very heart out of their communities. I think that we all share their concerns—I certainly do, as I was informed only some two weeks ago that five post offices in my constituency were to be closed.

On the theme of post offices, the hon. Member for Blaenau Gwent (Mr. Davies) gave a heartfelt speech about the Post Office card account. Like him, we have all received hundreds if not thousands of letters from constituents urging that the Post Office card account be retained, and that demonstrates the enormous strength of feeling among the public on this issue.

The right hon. Member for Leicester, East (Keith Vaz) gave a typically eloquent speech. He talked about a consultation on alcohol and its relation to crime; I look forward to its conclusions. I hope that the Government will take on board the good points raised in the consultation, although their usual practice is to kick matters into the long grass by announcing another review.

[Mr. Vara]

Few Members present will not have had large numbers of constituents raise tax credit issues with them. My hon. Friend the Member for Bosworth (David Tredinnick) spoke for many of us when he highlighted the problems of overpayment, and the problems with the process of recovery that follows.

The hon. Member for Selby (Mr. Grogan) gave an appropriate speech, given recent sport activities. During the recess, he may well receive hundreds of letters from cricket fans who welcome his plea that cricket be made available on free-to-air TV.

About midway through the debate, we heard a light-hearted, humorous speech by the hon. Member for Norwich, North (Dr. Gibson); it came at just the right time. However, he had a serious message to convey about the A11. I am sure that the changes that he proposed will not easily be agreed to, but I have no doubt that he will continue to fight for them in his usual way.

The hon. Member for Hayes and Harlington (John McDonnell) raised some very serious points about information, obtained through the Freedom of Information Act 2000, on Heathrow airport and BAA. I suspect that the issue will run for a while yet, and that we have not heard the last of it.

The hon. Member for Cleethorpes (Shona McIsaac) is a veteran of these Adjournment debates. I trust that the Deputy Leader of the House will pass on to the relevant Minister in the Department for Transport the hon. Lady's concern about the concrete surface of the A180, which is being replaced on only one carriageway.

It is vital that when cities and towns consider expansion, they do not overlook the growth of infrastructure. That was rightly pointed out by my hon. Friend the Member for North-East Milton Keynes (Mr. Lancaster), when he spoke of expansion in his constituency.

On the subject of expansion, my hon. Friend the Member for Guildford (Anne Milton) spoke of the inconsistency of the south-east plan, which threatens the green belt, despite statements having been made by the Prime Minister in the House urging protection of the green belt. My hon. Friend asked the Deputy Leader of the House a simple question about how to square the Prime Minister's statement with the reality, and I hope that the Deputy Leader of the House will give her a reasonable, straightforward answer.

In the past three years, my hon. Friend the Member for Hemel Hempstead (Mike Penning) has demonstrated how robustly he defends the rights of his constituents, as regards their local hospital. He has fought hard for that hospital, and I have every confidence that he will continue his campaign to save it.

In a succinct speech, the hon. Member for Wyre Forest (Dr. Taylor) raised a huge number of points and demonstrated his expertise on health matters. I very much hope that Health Ministers will find time during the recess to consider some of them.

The hon. Member for Berwickshire, Roxburgh and Selkirk (Mr. Moore) rightly pointed out the enormous concern felt by businesses and individuals about the great increase in fuel costs. That issue concerns all our constituents, and he was right to raise it today.

My hon. Friend the Member for Southend, West (Mr. Amess), another veteran of these Adjournment debates, mentioned the fact that land-girls, including his mother, will receive medals tomorrow. I am sure that I speak for all of us when I say that we share in celebrating the good news, and we congratulate all of them on their achievements and their medals.

My hon. Friend the Member for New Forest, East (Dr. Lewis) raised some very serious concerns about his campaign to ensure the secrecy of MPs' second-home addresses. The whole House will agree that it is to be hoped that there will be no adverse impact, for him or his loved ones, resulting from his campaign.

The hon. Member for Brent, East (Sarah Teather) spoke of the tragedy of gun and knife crime, which affects so many people. I think that we would all agree that we must all work together to try to deal with that scourge.

My hon. Friend the Member for Peterborough (Mr. Jackson), a constituency neighbour, raised the concerns of the St. John Fisher school—concerns that affect hundreds of children. I hope that there is a concerted effort by all concerned to ensure that there is a satisfactory solution in the near future.

Mr. Deputy Speaker, it only remains for me now to wish you, all the officials and staff of the House, all Members and their staff and the security staff who do so much to look after us a very happy recess and we look forward to seeing everybody safely back in October.

5.51 pm

The Deputy Leader of the House of Commons (Helen Goodman): It is always a pleasure to take part in the pre-recess Adjournment debate and to follow the hon. Member for North-West Cambridgeshire (Mr. Vara). When I was a child I never really understood the meaning of the phrase "The show isn't over until the fat lady sings", but I think I understand it now.

The debate was opened by my hon. Friend the Member for Lewisham, West (Jim Dowd), who talked about the rail connections from his constituency to central London. It is fortunate that the Under-Secretary of State for Transport, my hon. Friend the Member for Glasgow, South (Mr. Harris), is here to note that that matter needs to be looked into.

The hon. Member for North Southwark and Bermondsey (Simon Hughes) began by raising some international issues. He may be aware that Zimbabwe will be on the agenda in Europe next Tuesday. He may also be aware that the President of Cyprus and the President of North Cyprus will be meeting on 25 July to have talks. I am sure that he is also aware that Lord Malloch-Brown has recently been in Sri Lanka.

The hon. Gentleman raised the issue of knife crime, which has been very much in people's minds because of some horrific deaths recently, particularly, but not only, in London. Those points were echoed by the hon. Members for Bosworth (David Tredinnick) and for Brent, East (Sarah Teather). It is interesting that that was a focus for London Members, because it is clearly a problem in London and the big cities. The hon. Members for North Southwark and Bermondsey and for Brent, East asked about funding for young people's centres and whether or not money from dormant bank accounts will be released early. I can confirm that that will be the case.

My hon. Friend the Member for Weaver Vale (Mr. Hall) raised a rather complex question about common land. He talked also about the unfair pricing of utilities, particularly with regard to churches. My understanding is that the Secretary of State put out guidance on this in 2000 and churches are supposed to benefit from lower charges. He talked about NHS Logistics and the position of the workers there. My understanding is that there is to be a ballot on the point raised by my hon. Friend.

The hon. Member for Mole Valley (Sir Paul Beresford) talked about the importance of the Home Office and the Department for Business, Enterprise and Regulatory Reform dealing more toughly with internet paedophilia. He raised the question of whether the penalties under the Regulation of Investigatory Powers Act 2000 were adequate. I will convey the urgency of the matter to my colleagues in the relevant Departments.

My hon. Friend the Member for Keighley (Mrs. Cryer) demonstrated once again what a hard-working and caring MP she is on behalf of her constituents. She talked about the need for more investment in the Airedale general hospital, in particular the need for investment in kitchens and the canteen. My understanding is that the Minister of State will have a meeting with my hon. Friend to discuss this matter, although in the first instance this is a matter for the local trust board.

The right hon. Member for Penrith and The Border (David Maclean) spoke about the needs of rural communities. Since I share a boundary with him, I am deeply sympathetic to what he was saying. He talked about the performance of the Northwest Regional Development Agency. I commend to the right hon. Gentleman the new regional Select Committees that will be set up, as I do to the hon. Member for Guildford (Anne Milton) who talked about the regional spatial strategy in her area. Those Select Committees will provide hon. Members with opportunities to examine the performance of regional bodies.

The right hon. Member for Penrith and The Border also discussed post office closures.

Dan Rogerson: As this is the only parliamentary opportunity between the start of the consultation on post office closures in Cornwall and the closures at the end of the programme in September, will the Deputy Leader of the House take to her ministerial colleagues the utter despair of my constituents, particularly in the area around Bude, where six post offices are closing in a very rural area? I hope that she will convey my constituents' dismay that the programme is being conducted in the summer, when there will not be adequate scrutiny.

Helen Goodman: The hon. Gentleman has made his point. The hon. Members for Tiverton and Honiton (Angela Browning), for North Dorset (Mr. Walter), for Berwickshire, Roxburgh and Selkirk (Mr. Moore), for Solihull (Lorely Burt), for Hemel Hempstead (Mike Penning), for Blaenau Gwent (Mr. Davies) and for Southend, West (Mr. Amess) also raised the problem of post office closures. Obviously, I will pass those comments on to the Minister for Employment Relations and Postal Affairs. My own view is strongly influenced by the fact that 12 post offices have closed in my constituency.

My right hon. Friend the Member for Leicester, East (Keith Vaz) discussed the General Electric site that is for sale in his constituency and the importance of brownfield land being used for housing. The proportion of brownfield land used for housing has increased from 56 to 75 per cent. in the past 10 years.

The hon. Member for Bosworth discussed tax credits. He raised the administrative problems, but he forgot to remind the House that 600,000 children have been lifted out of poverty through child tax credits. Although the rate of error and fraud is too high at 7.5 per cent., it is much lower than the 13 per cent. rate that we inherited from the previous Administration on jobseeker's allowance.

My hon. Friend the Member for Selby (Mr. Grogan) has long been a champion of the interests of ordinary viewers who want to see the best matches on television. He again raised that issue, on which he has been a consistent champion, and I understand from the Department for Culture, Media and Sport that the matter is under consideration.

My hon. Friend the Member for Selby and other hon. Members also discussed the alcohol strategy. The consultation document was published today, and the consultation will examine whether the voluntary code should be replaced by a mandatory one.

The hon. Member for North Dorset mentioned procurement in the aeroplane sector, which affects his constituency.

My hon. Friend the Member for Norwich, North (Dr. Gibson) discussed his desire to see more investment in the A11, but I am not sure whether he realises that 14 schemes have been completed locally in the past year.

The hon. Member for Tiverton and Honiton spoke about charity shops overburdening some small town centres in her constituency, and I will pass on her views to my colleagues in the Department for Communities and Local Government.

My hon. Friend the Member for Hayes and Harlington (John McDonnell) discussed the proposals to extend Heathrow and his concern about the decision-making processes. His comments will be examined by Ministers in the Department for Transport. He also mentioned the insecurity faced by some BBC employees and the proposal to change the operation of the World Service. The World Service is, I think, the responsibility of the Foreign and Commonwealth Office, to which I will pass on his comments.

The hon. Member for Solihull spoke about the interaction of the Post Office with the Department for Work and Pensions. My hon. Friend the Member for Cleethorpes (Shona McIsaac) gave a speech that demonstrated once again what an effective Member she is on behalf of her constituents. She talked about the importance of fire installations and the extraordinary proposal of North East Lincolnshire council, which intends to—

It being Six o'clock, the motion for the Adjournment of the House lapsed, without Question put.

Crossrail Bill

6 pm

Mr. Deputy Speaker (Sir Michael Lord): I must inform the House that a message has been brought from the Lords as follows. The Lords have agreed to the Crossrail Bill with amendments, to which they desire the agreement of the Commons. Copies of the Lords amendments are available in the Vote Office. I must inform the House that privilege is involved in Lords amendments Nos. 50 to 56. If the House agrees to the amendments, I shall arrange for the necessary entries to be made in the Journal.

Ordered,

That the Lords amendments to the Crossrail Bill be considered forthwith. *[Steve McCabe.]*

Lords amendments accordingly considered.

Lords amendments Nos. 1 and 32 to 45 agreed to.

Clause 20

CONTROL OF CONSTRUCTION SITES: APPEALS

Lords amendment: No. 2.

The Parliamentary Under-Secretary of State for Transport (Mr. Tom Harris): I beg to move, That this House agrees with the Lords in the said amendment.

Mr. Deputy Speaker: With this we may discuss Lords amendments Nos. 28 and 30.

Mr. Harris: Lords amendments Nos. 2, 28 and 30 give effect to the recommendations of the Delegated Powers and Regulatory Reform Committee. Before I continue, it is appropriate for me to offer my gratitude to the usual channels, my right hon. and learned Friend the Leader of the House and right hon. and hon. Opposition Members for agreeing that this Bill be returned to the Commons today so that Members can agree to the Lords amendments. I am grateful to the Delegated Powers and Regulatory Reform Committee for its consideration of the delegated powers contained in the Crossrail Bill and for its report of 31 January this year. The Committee made three recommendations in respect of the powers of the Secretary of State to make secondary legislation under the Bill.

The first recommendation related to clause 60(1), which in turn relates to the power of the Secretary of State to devolve functions to the London government. As the Committee noted, clause 60(1) confers what is, in effect, a Henry VIII power to modify references in the Act to the Secretary of State to references to the Greater London authority, Transport for London, or both, and to make consequential provision that may include modifying the Crossrail Act.

The second and third recommendations both related to secondary legislation that makes provision about arbitration. Clause 20 modifies the operation of sections 60 and 61 of the Control of Pollution Act 1974, so that appeals relating to noise emanating from construction sites are determined by the Secretary of State or—if the parties agree—by arbitration, rather than by a magistrates court.

Clause 20(4) enables the Secretary of State for Transport and the Secretary of State for Environment, Food and Rural Affairs, acting jointly, to make regulations about the procedure in relation to such arbitrations. Such regulations would be made by a statutory instrument not currently subject to a parliamentary procedure by virtue of the Bill. Clause 63 makes provision for the arbitration of disputes under the Act, unless otherwise provided for, such as in the example that I have just mentioned. Subsection (5) enables the Secretary of State for Communities and Local Government and the Secretary of State for Transport, acting jointly, to make rules about the arbitration by procedure.

Those rules will be made by a statutory instrument that is not currently subject to a parliamentary procedure in accordance with the Bill. The Committee recommended that since one or other of the Secretaries of State might be a party to an arbitration arising from the Bill, arbitration rules made under clause 20 or clause 63 should be subject to the negative resolution parliamentary procedure. Having carefully considered the report, the Government agreed with what the Committee proposed in each case.

Lords amendment agreed to.

Before Clause 22

NEW CLAUSE

Lords amendment: No. 3.

Mr. Harris: I beg to move, That this House agrees with the Lords in the said amendment.

Mr. Deputy Speaker: With this it will be convenient to deal with Lords amendments Nos. 4 to 26, 29 and 31.

Mr. Harris: This is a large group of amendments concerning the railway matters in the Bill, and it will take me a few minutes to explain them. The majority complete actions that were promised during the Commons stages of the Bill. The dozen clauses 23 to 34 were included in the Bill as reserve powers to ensure, principally through overriding duties on the Office of Rail Regulation, that Crossrail can be built and Crossrail services can operate. In parallel with the Bill process, the Department for Transport has negotiated an access option with Network Rail to grant the necessary access rights for Crossrail services so as to provide essential security on which to base investment in the Crossrail project. Following industry-wide consultation, including holding a hearing, the ORR issued its decision on 14 April this year to approve the access option with modifications. Yesterday, the ORR gave its formal directions under the Railways Act 1993, which marks the completion of the legal documentation for the access option. As a result, the reserve powers in the Bill can now be deleted as proposed in amendments Nos. 5 to 16.

Two new clauses are proposed under amendments No. 3 and 4. Amendment No. 3 includes an additional objective of facilitating the construction of Crossrail in the ORR's list of objectives in section 4(1) of the Railways Act 1993. This does not direct the ORR on how it should meet that new objective. That is for its judgment as the independent rail regulator in the circumstances at the time, balancing all its section 4(1) objectives. The provision is precedented by section 17 of the London Olympic Games and Paralympic Games Act 2006.

Amendment No. 4 requires the ORR to produce a report on what it has done, or proposes to do, to meet its new Crossrail construction-related objective and on how it has exercised, or proposes to exercise, any of its functions in relation to the operation of Crossrail services. That is to aid transparency, given that the ORR, in reaching decisions that take account of all relevant interests, is important to the successful delivery of the Crossrail project.

Amendments Nos. 17, 18 and 20 relate to clause 35. The clause disapplies the prohibition in the Railways Act 1993 on a public sector operator acting as a franchisee, which provides flexibility to accommodate a potentially public sector franchisee of Crossrail passenger services if that is considered desirable. It might, for example, be in the period when Crossrail services are being phased in, during which it could be challenging to let a conventional private sector franchise. Amendments Nos. 17, 18 and 20 extend that flexibility in two respects in order to ease the construction of Crossrail and the bringing into operation of services.

Amendment No. 17 enables ancillary or complementary services to be included within a Crossrail public sector franchise. That is to aid franchise mapping, so as to avoid services closely related to Crossrail services becoming orphans, as it were, because they do not logically fit into another group of services that are franchised. Amendments Nos. 17 and 18 provide for a public sector franchise for services that are likely to suffer substantial disruption because of the construction of Crossrail. Better value for money may be achieved by managing certain suburban services as part of project delivery.

Amendments Nos. 21 to 24 deal with another matter. This is not so much a change in policy, but a modification to the legal route by which this is delivered. The background is that the Railways (London Regional Transport) (Exemptions) Order 1994 exempts the London underground network from regulation under the Railways Act 1993. Unless we can amend that order, there might be unintended exemptions or applications of regulations relating to the Crossrail tunnels or their interchanges with relevant London underground stations.

We looked again at the powers that the Secretary of State already enjoys under the 1993 Act, and we concluded that we would be able to amend the order under them. Given that it is reasonably likely that we will use powers under the 1993 Act in any event, it will be simpler and clearer to rely solely on those powers rather than have specific provisions for amendment in clause 36. It is a different means to the same end.

Finally, amendment No. 26 relates to clause 40. This clause is based on a provision contained in the Channel Tunnel Rail Link Act 1996, and provides an obligation to co-operate between the nominated undertaker and controllers of railway assets with which Crossrail construction, maintenance or operation interact. The asset controllers in question include London Underground and the public private partnerships, BAA, and Network Rail. Either party can require the other party to enter into an agreement, and if this cannot be reached, it is referred to arbitration, for which clauses 41 and 42 establish the arrangements.

Amendment No. 26 ensures that clause 40 cannot be used in circumstances where the matter may be dealt with by the Office of Rail Regulation—in effect, requiring a solution to be reached under the aegis of the normal regulatory processes. Amendments Nos. 19, 20, 25, 29 and 31 are consequential.

Stephen Hammond (Wimbledon) (Con): First, may I take this opportunity to thank the Minister for making available advance copies of the explanatory notes? I would like to take the opportunity to say how much we welcome the written statement of 14 July on the subject of publishing financial data in relation to Crossrail. He will be well aware that during all stages of the Bill's progress, I have been urging him to accept one of my well-worded amendments. It would have required the Government to publish an annual statement setting out that financial data. Although we are upset that he did not feel able to accept that amendment, we are pleased to see that the Bill will include such a provision. It is always good to see the Government adopting excellent ideas, and I thank him for his assurances in that statement on that part of the Crossrail project.

This group of amendments will do some quite important things, in that it will do away with the previous clauses 23 and 24 and replace them with new clauses. Those clauses, which the Lords now seek to amend, were the subject of some lengthy discussions in Committee. They dealt with the so-called "interim period", which is the time between the granting of Royal Assent to the Bill, which I guess is not far off now, and the day on which passenger services commence on Crossrail. During that so-called "interim period", the Office of Rail Regulation was to have an "overriding" duty to exercise its access contract functions in such a way to facilitate the operation of Crossrail.

The idea of an overriding duty was a principle that we were willing to accept—after all, it had a precedent in the Channel Tunnel Rail Link Act of 1996. However, of great concern to us was the fact that the "interim period" was ill-defined and could be subject to unnecessary extension. Our fears were compounded when we saw the Channel Tunnel Rail Link (Supplementary Provisions) Bill recently, which did indeed extend the interim period for High Speed 1 beyond the construction phase. We were concerned about the "interim period" being turned into an "indefinite period". The amendment will remove those clauses, and give us a definite time scale. The new clauses proposed by the Lords in the amendment will be welcomed by my party. The powers in question were merely reserve powers that the Government intended to use only if normal industry procedures were not possible.

This time last year, the Government and Network Rail applied to the ORR for access rights for Crossrail on the existing network, and the ORR approved this access option on 14 April. With that agreement in place, there is no longer the need for Network Rail to be told when and where to enter into access agreements, and the operator of Crossrail will no longer have superior access rights to other operators, which is to be welcomed.

I would like the Minister to clarify the purpose of the first amendment in the group, which inserts a new, but not overriding, objective into the remit of the ORR, namely the facilitation of the construction of Crossrail. We are often told that the amendments we table are unnecessary, but if the overriding need is taken away, I

[Stephen Hammond]

am not sure that this amendment is necessary. Perhaps the Minister could explain why he thinks it is. As for the London railway Act, open brackets close brackets, which he described so ably a few minutes ago, can he tell us exactly what might happen if the amendment were not enacted?

6.15 pm

Mr. Harris: I am grateful for the hon. Gentleman's comments, but I fear that I may not be in a position to offer him as full a response as he as requested. I should be more than happy to write to him, but I hope he will accept my reassurances from the Dispatch Box.

I suddenly feel inspiration descend. I am talking off the top of my head, of course. The new objective in clause 22 is desirable because the ORR should specifically address issues such as those relating to the network code that could frustrate Crossrail construction. However, the objectives of the ORR are considered and weighed collectively. The ORR will therefore have to balance the interests of Crossrail construction with those of affected users and operators. I trust that that reassures the hon. Gentleman.

Graham Stringer (Manchester, Blackley) (Lab): My hon. Friend will recall that during the mayoral elections, Ken Livingstone boasted that £40 billion would be spent on transport in London. Some of that would come from Crossrail, some from Thameslink and some from other projects. Can he assure me that passing responsibility to the ORR will not enable the current Mayor to increase that amount, and can he tell me what the Barnett consequentials of this or other clauses might be? Many of us in the regions are worried—

Mr. Deputy Speaker: Order. I urge the Minister not to be tempted too far down that road. The hon. Member for Manchester, Blackley (Graham Stringer) has been quite clever, but what we are discussing is the Crossrail Bill.

Mr. Harris: I am grateful for your guidance, Mr. Deputy Speaker. My hon. Friend's proposition was very tempting. I can tell him that the details of the management of the Crossrail franchise are not set in stone, and are a matter for discussion further down the line. As for the Barnett consequentials, the Barnett formula is a matter of record.

Jeremy Corbyn (Islington North) (Lab): Will the Minister give way on that point?

Mr. Deputy Speaker: I think that the Minister has probably concluded his remarks.

Mr. Harris *indicated dissent.*

Mr. Deputy Speaker: It appears that the Minister is happy to give way yet again.

Jeremy Corbyn: I genuinely thank the Minister. As he knows, I welcome and support Crossrail. Will he tell us when and how the talks and negotiations on the franchise operation will take place, and whether he expects to issue a regulation or statement?

Mr. Harris: We expect full services on Crossrail to start in 2017. I expect to make an announcement before then about the structure of the franchise.

Mr. Deputy Speaker: I think that the Minister has now concluded his response.

Lords amendment agreed to.

Lords amendments Nos. 4 to 26 agreed to.

After Clause 47

NEW CLAUSE

Lords amendment: No. 27.

Mr. Harris: I beg to move, That this House agrees with the Lords in the said amendment.

Mr. Deputy Speaker: With this it will be convenient to deal with Lords amendment No. 47.

Mr. Harris: The amendment would ensure that the Secretary of State and London Government can give an unqualified commitment at the start of the Crossrail project in relation to a potential future transfer of assets between Transport for London and the Secretary of State. Governance arrangements for the project currently allow that if the forecast final cost breaches an agreed level, the Department has the right to take back control of the project, including ownership of CLRL—Cross London Rail Links—and, indirectly, assets of Crossrail. However, the Greater London Authority Act 1999 provides that, at any given time, Transport for London should follow the direction of the Mayor in the exercise of its functions and that the Secretary of State must consent to the disposal of assets by TfL.

The provisions being sought in the amendment are permissive and limited to actions for the purposes of Crossrail only. They do nothing more than ensure that the obligations entered into on signature of the sponsor agreement will endure. The provisions also seek to allow agreement to be reached now as to the use of a transfer scheme, such as a possible transfer of assets between TfL and the Department for Transport.

Lords amendment agreed to.

Lords amendments Nos. 28 to 45 agreed to.

Schedule 12

TRANSFER SCHEMES

Lords amendment: No. 46.

Mr. Harris: I beg to move, That this House agrees with the Lords in the said amendment.

Mr. Deputy Speaker: With this it will be convenient to discuss Lords amendments Nos. 48 to 56.

Mr. Harris: Schedule 12 already provides for the granting of new land interests as part of a transfer of assets between or from public bodies. These are known as transfer schemes. The proposed amendments to schedule 12 will enable the simple grant of new land interests, such as a lease, to happen by way of a transfer scheme even where that is separate from the transfer of other assets. The amendment will enable the Secretary of State to retain flexibility in how she puts in place land ownership arrangements required for Crossrail. The amendments proposed to schedule 13 are consequential and avoid a tax distinction arising that is based on the type of transfer scheme under which a lease is created.

Stephen Hammond: I shall not trouble the House for long, but I want to be clear about the arrangements. When we discussed the Bill in Committee, we looked at the restrictions on the land that the Secretary of State could, in seeking to define that land which would be necessary for the construction or operation of Crossrail, require to be either compulsorily acquired or transferred, permanently or temporarily, to CLRL, the nominated undertaker or, indeed, the Secretary of State. Can the Minister reassure us that the new land interest is restricted to that land that is required for either the construction or the operation of Crossrail?

Mr. Harris: I can indeed give the hon. Gentleman that reassurance. We had a number of productive debates in the Public Bill Committee on the issue. It is not in the Government's interest—and it is certainly not in CLRL's interest—to force the compulsory sale of land that is not going to be used either temporarily or permanently for the construction of Crossrail. I assure him that the transparency measures in the Bill will ensure that that happens.

Lords amendment agreed to.

Lords amendments Nos. 47 to 56 agreed to [some with Special Entry].

PETITIONS

Sea Defences

6.23 pm

Norman Lamb (North Norfolk) (LD): I am grateful to have the opportunity to present a 15,000-signature petition on an issue that has caused enormous concern and anxiety among people living in the broads area of my constituency. A leaked report from Natural England raised the possibility of an area of 25 sq m that includes six villages being lost to the North sea as a result of rising sea levels. One can imagine the concern that that caused and the immediate impact that it had on house prices and people's everyday lives.

We received substantial reassurance when the Minister for the Environment visited the area and gave his commitment that the Government would do everything they could to defend it. However, it still important that the petition is presented, to reinforce the importance of protecting such a beautiful area. The petition says:

The Petition of residents of North Norfolk and others.

Declares the Petitioners serious concern at the option contained in a paper from Natural England for an area of approximately 25 square miles to be inundated by the sea. The Petitioners consider that the news of this option being under consideration has caused a great deal of unnecessary distress.

The Petitioners therefore request that the House of Commons urges the Secretary of State for Environment, Food and Rural Affairs to confirm he will take every step necessary to protect this area of North East Norfolk from the sea by defending the coastline.

And the Petitioners remain, etc.

[P000249]

Traffic Noise (M3)

6.25 pm

Mrs. Maria Miller (Basingstoke) (Con): I present this petition on behalf of more than 2,000 residents in Basingstoke, who are increasingly concerned about the levels of noise and traffic congestion connected with the M3, particularly around junctions 5 to 7. Over the past 10 years, there has been a dramatic increase in traffic on the motorway, which means that more local residents are affected by more noise and excessive tailbacks on the motorway at peak times. As a result, some areas in my constituency, particularly the villages and suburbs around Basingstoke, are experiencing quite significant increases in rat-running. Hence, the petitioners request the House to urge the Government to stop the delay and install noise-reducing road surfaces on all six lanes of the M3 and to put in place improvements to junction 6 that will ease the traffic flow at peak times, as it is affecting not just residents but major employers in the Basingstoke area. This amounts to much-needed investment to fill a yawning infrastructure gap created by an ever-increasing level of house building demanded by the Government in Basingstoke and in the south-east more generally.

Following is the full text of the petition:

[The Petition of the residents of Basing and others,

Declares that traffic on M3 has increased dramatically between junctions 5 and 7 over the past 10 years; that this has led to significant increases in noise levels for many local residents, excessive peak time motorway tail backs and consequently unacceptable levels of rat running in our villages and suburban areas.

The Petitioners therefore request that the House of Commons urges the Government to implement their plan to install noise reducing road surfaces on all 6 lanes of the motorway and to put in place improvements to junction 6 to ease traffic flow at peak times.

And the Petitioners remain, etc.]

[P000257]

GP/Pharmacy Services (Mole Valley)

Motion made, and Question proposed, That this House do now adjourn.—*[Mark Tami.]*

6.27 pm

Sir Paul Beresford (Mole Valley) (Con): I am grateful for the opportunity to raise a small issue that is of deep concern to many people in my constituency. I would like to thank the Minister, especially as she is the last Minister to be standing, as it were, in the pre-recess period. I do not envy her; I have been in the same position before, and I hope that she has recovered from the shock of having to respond to this debate. I also hope that she will be sweetness and light, to the benefit of my constituents. What I am really asking is for the Minister to show a little understanding and perhaps some flexibility in her Department's thinking. As she will be aware, nationally applied rigidity can be damaging. I hope that she will listen gently and, as I have done several times, set aside her official speech and concentrate on the little bits and pieces that I raise in the debate.

To provide a bit of background, Mole Valley is the largest Surrey constituency; it is very different from the Minister's deep urban seat. Having been a local councillor in a solid London inner-city borough, I have some idea of the problems she has to face in her Bristol constituency with tower blocks, unemployment, health conditions and so on and so forth. My constituency is, as I said, very different. It has two small towns and approximately 32 to 33 villages, so it is rural and semi-rural. Some of the villages are large, most are small. The gaps between villages are often considerable green farming areas.

Transport is predominately by private car and there is very little in the way of bus services; most of the trains are on radial lines running into London and are often inappropriate. As the Minister may know from the package of departmental information given her about the population, a considerable proportion of people in the area are elderly and most of those do not drive or are very nervous of driving; they are certainly very nervous of driving and parking in the towns. In addition, there are many young families with children, especially farming families. That explains the relatively large number of village schools and, until recently, village shops and post offices, as well as village halls.

Surrey is perceived by outsiders as green and wealthy, but the wealth is mixed and so is mobility. Life expectancy is higher than the national average, so all access problems are more applicable, as a recent Help the Aged survey pointed out. Of course, as the Minister knows, age brings increased demands on the national health service.

Mole Valley is served by three hospitals in adjacent constituencies, none in mine; one of them—Epsom hospital—is under threat, but that is a discussion for another time. In Mole Valley, there are two so-called cottage hospitals, one in Dorking and the other in Leatherhead.

The Prime Minister recently paid the local area the honour of a visit to Leatherhead hospital. Sadly, I was unaware of his visit until after he returned to Westminster—I would have liked to join him at the hospital. No. 10 thoughtfully informed my hon. Friend the neighbouring Member for Epsom and Ewell (Chris Grayling), albeit too late for him to inform me. I was delighted 24 hours later to receive some apologies from No. 10, which were accepted, but I used the opportunity to request an audience, along with some of my colleagues, with the Prime Minister about the issues that I would have raised if I could have joined them. To date, the silence from No. 10 is significant but not golden.

Both hospitals have evolved to meet the need to act as intermediaries between the GPs and their clinics and the three general hospitals. Both hospitals work closely with the many GP practices in their surrounding areas. For example, Leatherhead is run as an independent, not-for-profit unit giving services, including clinical assessment, especially for heart conditions, X-rays, audiology and dentistry for handicapped, abused and difficult children. I had hoped to use the opportunity to expand on the latter part by bringing in the private sector to pay for refurbishments and so on, and perhaps establish a charity to provide dentistry—to put on my dental hat—in the hospital if possible.

The hospital is effectively a polyclinic without GP services—the latter are not necessary, as the GPs are close by in Leatherhead and the surrounding villages. GPs in Mole Valley have coagulated—if I may use that medical term—to form what I call mini-polyclinics. By forming partnerships with up to a dozen doctors, those clinics can offer the usual paramedical services as well as extras such as physiotherapy, minor surgery and, in the case of the Medwyn GP clinic in Dorking, dentistry—as long as one's Polish English is effective. Several of those group practices can thus run satellite services in many villages. They are generally also dispensing practices, and that makes them just financially viable and means that the village patients do not have to travel into the bigger villages with their prescriptions. The towns and bigger villages are served by many excellent and modern pharmacies, which have encompassed new demands and requirements from patients, local GPs and the Government.

All those relationships of GPs, clinics, local hospitals and pharmacies have evolved co-operatively to meet evolving patient needs, and have encompassed developing medical science as well as requests from the Government. Any Government changes, such as polyclinics and changes in pharmacies that affect dispensing GP practices, may be applicable in inner-city areas such as the Minister's constituency, but must not be applied prescriptively to rural and semi-rural areas such as my constituency.

I guess that it may be convenient for the Minister and even the Prime Minister to call Leatherhead hospital a polyclinic. However, to expand that to include general medical practitioner services, when they are being provided close by, or to impose a full blown polyclinic anywhere else in or close to Mole Valley, would be short-sighted and deeply damaging to NHS services, Mole Valley towns and especially villages. To quote one of the many deeply worried doctors,

"a polyclinic would act like a black hole drawing all in and forcing closure of GP clinics especially in the villages".

Surrey villages have been and are under great threat—several village shops have gone. Recently, 25 per cent. of sub-post offices have closed and village halls have been hurt by the recent licensing legislation. Polyclinics and changes in the pharmacy rules could especially hurt GP services in satellite villages.

A recent speculative bid for a new pharmacy, ostensibly serving several villages east of Dorking, was carefully assessed and rejected by NHS regulators. The key reason for rejection was that the demand for prescription medicines was being met by dispensing GPs in the village satellite clinics. The presence of a new pharmacy in the villages would have disturbed the financial balance of those surgeries. Some or all would either curtail their hours or force closure for economic reasons. To add to this, there was severe doubt whether the proposed pharmacy would have been viable. The end result would have been a pharmacy that would have killed off some of the GP services and GP clinics and then died itself for economic reasons. The result in a few short months would have been disaster for those villages. Fortunately, the decision was a refusal. It would be helpful if these dispensing pharmacies were able to provide over-the-counter medicines and other minor pharmacy additions such as first-aid supplies, and I understand that the Government are considering that.

I am asking the Minister to accept that a rigid application of the new distance parameters for pharmacies would be severely damaging in rural and semi-rural areas. Similarly, I hope she and her Department will accept that polyclinics with GP services in areas such as mine would damage a delicate and evolved environmental balance serving the national health service, and that that would result in poorer services for patients. My GPs will be keen to learn of the Minister's response, and if they are unhappy I suspect they will ask me to ask her whether I and one or two representatives might see her to expand on anything that comes out of today's debate.

These clinics are major employers, particularly in the villages, and they serve many who would find travelling for NHS care an enormous problem. I would be delighted if the Minister used this chance to reassure the concerned GPs and their patients, because if she does not do so she will be deepening an already deep fear among many people who loyally serve the NHS and who use it.

ROYAL ASSENT

Mr. Deputy Speaker (Sir Alan Haselhurst): I have to notify the House, in accordance with the Royal Assent Act 1967, that the Queen has signified her Royal Assent to the following Acts:

Housing and Regeneration Act 2008

Crossrail Act 2008

GP/Pharmacy Services (Mole Valley)

Question again proposed, That this House do now adjourn.

6.37 pm

The Minister of State, Department of Health (Dawn Primarolo): I congratulate the hon. Member for Mole Valley (Sir Paul Beresford) on securing the debate. It is a pleasure to be present this evening. I shall go straight to the heart of his two major points on dispensing GPs and GP-led health centres—or, as he called them and as they are often referred to in London, polyclinics. I hope that I will be able to reassure him, his constituents and those GPs who have been making representations to him that they should put aside their worst fears and instead embrace the agenda that he has outlined and that the Government are taking forward.

In his comments on dispensing GPs, the hon. Gentleman graphically laid out the complexities and differences in his constituency. Of course, if we compare it with, for example, my constituency of Bristol, South, his first proposition that one size does not fit all across the country is absolutely right, and that is precisely the Government's view. In looking at the provision of health services, it is important to take account of the needs and the location of the services in order to best serve patients in terms of quality and access to those services.

As the hon. Gentleman will be aware, the Government's White Paper, "Pharmacy in England: Building on Strengths—Delivering the Future", published on 3 April, set out our future proposals for expanding high-quality pharmaceutical services and developing the role of pharmacists as a leading clinical profession within the primary care team. He will know from my written ministerial statement of 17 July that next month we intend to publish our further consultation on the structural changes for the pharmaceutical services, which will run through the autumn.

Regulations governing dispensing by GPs have been in place since 1912, and despite some changes in April 2005 to implement measures agreed between pharmacy and medical representative bodies, they have not substantially changed for almost a century. A general precept adhered to not only by this Government, but by all Governments, is that doctors prescribe medicines and pharmacists dispense them. However, the hon. Gentleman alluded to the fact that community pharmacy is not always viable in all parts of the country, particularly rural areas. Patients need to receive their NHS-prescribed medicines promptly and efficiently, and that is where dispensing GPs can play a vital role.

I say clearly to the hon. Gentleman that the Government recognise the importance of the role of the dispensing GP and do not propose to end it; there is no question of the Government's advancing an agenda that is about disposing of the services of dispensing GPs. I know that some dispensing GPs have expressed doubts about their future. I hope that my clear statements today will show that it is not, and never has been, the Government's intention to disband or remove the services of dispensing GPs.

However, I am sure that the hon. Gentleman recognises that the system of GP dispensing contains anomalies and inconsistencies, and we want to seek views on how to deal with that. I stress the words "seek views".

[Dawn Primarolo]

because there is no predetermination involved, and we have made no suggestion that GP dispensing will cease. We have also made it clear that in examining some of the problems and anomalies, which GPs themselves identify, it will be vital to consult. That is the case precisely for the reasons that the hon. Gentleman so clearly and correctly identified in respect of understanding the geography and the services that are in place.

I move on to the question of super-surgeries—polyclinics—and GP-led services. I am told by Surrey primary care trust that there are no plans to have any major new primary care developments in the area. However, the hon. Gentleman will be aware that that might not please all his constituents, given that the public have told us that enabling them to see a GP at a time that is more convenient to them—for example, at weekends or in the evenings—is their No. 1 priority in improving the NHS further. It is also true that Surrey PCT has more patients who are dissatisfied with the office hours opening times than anywhere else.

Sir Paul Beresford: I thank the Minister for letting me respond to that specific point. Interestingly, the GPs in my constituency are clear about the fact that they have reacted positively by expanding their hours—that includes weekend openings.

Dawn Primarolo: I agree with the hon. Gentleman, because, so far, 55 per cent. of the local GPs—77 out of 139—are offering extended opening hours. None the less, that leaves almost 50 per cent. of his constituents outside such arrangements. The point that he makes is that the investment in and the dialogue with the PCT and the GPs is about enhancing and developing services, not cutting back on the services that are available.

I confirm once more that the guiding principle behind GP health centres is the wish to provide additional ways of accessing GP services—precisely the sort of things that the hon. Gentleman mentioned in his contribution. I am more than happy to echo the point that he made that that is best planned and delivered by agreement and in co-operation with the health professionals—GPs and others—in his constituency. The most important thing is that his constituents get the best quality of care and the best access to care.

In response to the two points that the hon. Gentleman made, I repeat that, first, there will be no requirement or any forced solutions in the development of GP-led centres or polyclinics in his constituency, but there will be continuing dialogue between the GPs, the PCT and other health professionals on how to deliver the best services; and, secondly, there is no predetermined conclusion and no desire to abolish GP dispensing. The White Paper raises questions about the accessibility of pharmacies and how we can iron out any problems in the current rules. It may not be a problem in the hon. Gentleman's constituency, but there are examples around the country of dispensing GPs being on the opposite side of the road to a pharmacy. Such anomalies need to be resolved.

Sir Paul Beresford: I accept the Minister's point about other areas. The difficulty in my villages is that a new pharmacy, on its arrival, will kill off the satellite dispensing pharmacies in the villages—we have seen some speculators try that—and then die off itself, leaving the villagers without pharmacy or GP services.

Dawn Primarolo: It is obviously not the Government's intention to drive GP services out of areas, given that we have announced that we will invest an extra £250 million in taking those services into areas that are under-doctored.

I am aware that applications have been made for two pharmacies, and those are under consideration. The White Paper attempts to ensure that we have the most appropriate services for the patient, delivered by the best-qualified provider. However, in encouraging that breadth of professionals in an area, we do not want to remove the GP service, for instance.

The hon. Gentleman is absolutely right to point out that, particularly in the areas represented by him and by some of my hon. Friends, it will be very important to consider the provisions for quality of care and for access. The White Paper says not that pharmacies offer all the solutions, but that they have the potential in certain parts of the country to open up the health service. We need to find a route whereby we can do that, where appropriate, without undermining quality provision where it exists. I know that he will agree that we need rules that are consistent and fair and that work to the best advantage of the patient and of the quality of care. That is what we are proposing to do and I see no reason why that should threaten the viability of GPs offering excellent medical services.

I hope that the hon. Gentleman will accept my reassurance and await the publication in the next month or so of the next stage of the consultation. If there are outstanding issues that he wants to raise with me, I will be happy to see him.

Question put and agreed to.

Adjourned accordingly at eleven minutes to Seven o'clock.

Westminster Hall

Tuesday 15 July 2008

[Mr. Jim Hood *in the Chair*]

Dementia Care

Motion made, and Question proposed, That the sitting be now adjourned.—*[Siobhain McDonagh.]*

9.30 am

Mr. Paul Burstow (Sutton and Cheam) (LD): I am grateful for this opportunity to raise a vital topic. My intention in seeking the debate is not to pretend that nothing is being done; quite the contrary—I want to applaud the work that has been going on in the Department, particularly since the National Audit Office published its report on dementia last year. Consultation on the national dementia strategy and the direction of travel that that signals is very welcome. My interest in the issue does not come from personal family experience—I would not wish that on anyone—but from the contact that I have had with families in my constituency who are living, perhaps I should say struggling, with the consequences of dementia. Those contacts have come about through opportunities provided for me by the local carers centre in Sutton and the local branch of the Alzheimer's Society; they have certainly done much to teach me about the impact of that terrible disease. I hope that the Minister will see today's debate as part of the consultation on the strategy and an opportunity to build the consensus that is necessary to deliver and sustain the long-term changes needed to make a difference to people with dementia.

I want to raise three issues. First, I want to explore some of the lessons from past reports and initiatives to improve the quality of dementia care. Secondly, I want to raise some concerns about work force planning and research aspects of the emerging strategy. Thirdly, I want to pose some questions, and make some suggestions, about the review of anti-psychotic prescribing announced by the Minister. The Select Committee on Public Accounts produced a report in January that summed up the challenge:

> "Dementia affects over 560,000 people in England and costs some £14 billion a year. Parallels can be drawn between attitudes towards dementia now and cancer in the 1950s, when there were few treatments and patients were commonly not told the diagnosis for fear of distress."

For the UK as a whole, dementia costs £17 billion a year—more than cancer, stroke and heart disease put together—and we are told that in the next 20 years the cost will more than double.

The Public Accounts Committee and National Audit Office reports are not the first reports to turn the spotlight on dementia. There are plenty of reports, if one digs into the subject. Just eight years ago, the Audit Commission published the first of two reports called "Forget Me Not". Those reports make salutary reading, because the lack of early diagnosis, the patchiness of provision, the need for better management of complexity and the importance of strategy were all set out in their pages. They show a sad truth about this area of public policy and many others—it is particularly so with respect to the NAO report: often there is nothing new to be said, but what there is to say must be said time and again.

Shortly after the Audit Commission report appeared, the Department of Health published the national service framework for older people. Standard seven in that very welcome document covers older people's mental health. It states:

> "Older people who have mental health problems have access to integrated mental health services, provided by the NHS and councils to ensure effective diagnosis, treatment and support, for them and their carers."

The NSF was widely welcomed at the time. It was all there: the benefit of early diagnosis; the need to refer to specialist services to confirm diagnosis; best practice advice on dementia care pathways; and the service model. That was in 2001, yet by the time the NAO took a look and published its report in 2007, little had changed substantially. Yes, there were, and are, beacons of good practice around the country; there is no doubt about the fact that some really good, dedicated staff are providing good services and bringing about good outcomes. However, for most of the country, dementia care remains firmly in the dark ages. As the NAO found, less than half of those with dementia receive a diagnosis. Even among those national health service organisations with agreed dementia care pathways, more than half admitted to the NAO that they are not using them.

The draft strategy rightly identifies the need for an integrated approach from diagnosis to end of life. Again, the NSF offered a tool for securing that integration: the single assessment process. Despite a deadline of April 2002 for its introduction, only a minority of NHS organisations are using it. The roll-out appears to have stalled, as it seems that the signals have not been getting through to local decision makers, and that the incentives to change behaviour have been too subtle. The priority that the Minister and the Department of Health have now attached to dementia is essential to achieving the step change that we all want, but if the experience of the past is any indicator for the future it will not be sufficient. It will require national leadership, both political and clinical, so will the Minister take on board the proposal in the NAO report that a national director for dementia services should be appointed to provide national leadership, and that that should be underpinned by networks for dementia, in much the same way as happens for cancer care, to provide clinical leadership at regional level?

Susan Kramer (Richmond Park) (LD): My hon. Friend talks about a lack of progress in dementia care; but is he also aware that in some areas there have, in a sense, been backward steps, particularly where behaviour is very challenging, such as the decision by the South West London and St. George's Mental Health Trust to get out of providing care to such highly challenging patients through its flagship facility at St. John's, which is to be closed? There is now a desperate search for an alternative provider of such care, and it has been discovered that there is only one possible bidder in the entire area to provide care for challenging patients.

Mr. Jim Hood (in the Chair): Order. Interventions should be short. I ask the hon. Lady not to speak until the Chairman has recognised her. I did not want to stop her in full flight.

Susan Kramer: I apologise, Mr. Hood.

Mr. Burstow: I think that my hon. Friend has made some important points about how reorganising services can cause people a lot of concern, and how that needs careful handling, particularly in the case of people with dementia and those who care for them. A lack of continuity of care is a great cause for concern.

As for trying to get the signals right, changes to incentives, such as the GPs' quality and outcomes framework, and national tariffs, are required. The quality and outcomes framework awards just 20 points out of 1,000 to dementia. The new strategy for developing the framework, promised by Lord Darzi in his recent review, will be critical to driving change. Can the Minister suggest when the strategy will be published, and how it will connect with the dementia strategy? It will require clear and enforceable standards, backed up by robust and regular inspection. At present, only 28 per cent. of care home places are registered specialist dementia places, despite the fact that 62 per cent. of places are filled by people with dementia—in some cases the figure is as high as 80 per cent. That surely results in some people being inappropriately placed, and the home failing, because of the want of appropriately trained staff, to provide the level of care required.

Mr. Andrew Smith (Oxford, East) (Lab): I congratulate the hon. Gentleman on securing this important debate in an area in which I know he does a great deal of work. He rightly referred to the quality of placements. Will he also explore the even more prevalent problems that face families who struggle to care for people with dementia? They often have the agonising dilemma of wanting to keep their family member with them and provide them with a familiar place to live, while they become increasingly stressed about providing that support and care. Is not there an equal need for evaluation and monitoring of good practice in that respect, to ensure that PCTs and social services provide appropriate support, to help with the reality that those people grapple with?

Mr. Jim Hood (in the Chair): Order.

Mr. Burstow: Thank you, Mr. Hood. Again, that was a very good point, and I guess that I would respond to it by saying that I hope the Minister will tell us something about the read-across from the national carers strategy to the dementia strategy. That must obviously be tailored to the specific circumstances of families who are coping with dementia. The generic strategy, welcome though it certainly is, needs to be tailored in that way—the right hon. Gentleman is absolutely right.

I was going to say something about the Care Quality Commission which will replace the Commission for Social Care Inspection and the Healthcare Commission. It must ensure that all care homes train their staff in the needs of people with dementia. Indeed, it needs to provide training in other settings too—particularly domiciliary care.

Inspection must be more than a response triggered by specific concerns. It must be seen as part of a continuous improvement process across all standards and should be regular. The CQC should also be required to measure routinely the experience and satisfaction of service users and carers in all settings, not just care homes.

In December 2007, the Department of Health published its operating framework for this year. Among its local priorities was the following:

> "The Department will shortly be publishing details of the clinical and economic case for investing in services for early identification and intervention in dementia, which PCTs will want to consider when developing local services."

That was flagged up as a local priority, not a national requirement or even a national priority. Will the NHS operating framework for 2009-10 elevate dementia to the status of a national requirement, or at least to a national priority? Try as I might, I could not find any sign of the promised business case for investing in services. Has it been published?

Getting the traction necessary across the whole health and social care system requires more than incentivising the Department of Health and the NHS to change their behaviour and practice. It also needs the buy-in of the Department for Communities and Local Government, so that local area agreements, the negotiations between agencies that are involved, and the new comprehensive area assessment process can be employed to lever change.

The consultation document states that the proposed development requires work force growth if the new and improved services are to be delivered. Work force planning is a critical and complex matter. At the diagnosis end, is the Minister confident that enough people with the necessary training will be in place to undertake the necessary assessments? Will there be enough neurologists and geriatricians to deal with the huge increase in the number of referrals for specialist diagnosis? The earlier people are referred, the more critical those specialist services will be in achieving a successful diagnosis.

The NAO report found that community mental health teams have an average of 275 people with dementia on their books, compared with the 1,000 whom the prevalence data suggest have that condition. Many teams lack specialists in dementia. An early diagnosis may be made, but what happens afterwards, particularly to support the family, including those caring and coping at home? Information is critical. Signposting on its own, however, is not enough to support carers in particular. They need expert advocacy to help them to access the support and services that they require, which are different at different stages of the disease. One model that I hope will be considered is portage services, which have been developed in children's services. I am not suggesting that we equate people with dementia with children. Portage services simply provide a model for standing alongside carers and families to help them to manage the complexities of all the agencies that they must deal with. I hope that that can be considered.

David Taylor (North-West Leicestershire) (Lab/Co-op): I congratulate the hon. Gentleman on securing this debate. On 14 May, I introduced a ten-minute Bill on the management of dementia in care homes. One of its objectives on work force planning and training was to make dementia training, including in the use of anti-psychotics, mandatory for care home staff, as it is not mandatory at the moment. That would be a straightforward and simple step for the Minister to take after the consultation process is complete. Does the hon. Gentleman agree?

Mr. Burstow: I do, and the hon. Gentleman and his colleagues in the all-party group on dementia are to be applauded for their work on the report and the Bill. I hope that it will receive a positive response.

Work force development for care homes, housing and community-based staff are essential, as are support and development for carers. The consultation document suggests that the strategy must be staged over five years to overcome the various work force constraints that I have discussed. Again, if experience teaches us anything, it is that five years is a challenging and ambitious period in which to achieve all that. The same can be said of research. I welcome the intention to hold a summit to consider a planned programme of research. The foundations are in place for a significant increase in research funding, but at present, a quarter of the Department of Health's £700 million research budget is spent on cancer, compared with just 3 per cent. that is spent on dementia. Total Government spending on dementia research through both the Medical Research Council and the NHS is just £25 million. The UK falls well behind France, Germany, Canada, Australia and the United States of America when it comes to investment in dementia research.

It is not a shortage of good research proposals that is holding us back. The Alzheimer's Research Trust told me that it rejects two out of three grant applications for want of funds. The summit is welcome, but will the Minister confirm that the Government are willing to commit new money to support more research? The potential is huge. If research resulted in a five-year delay in the onset of dementia, the number of deaths from the disease could be cut in half. Both the work force and research require investment. Has the Minister secured additional resources to implement the strategy, or will any funds allocated later this year come from existing primary care trust and social services allocations? Most of the extra investment needed to make it all happen will fall within the next comprehensive spending review period. I wish him well in winning the arguments for extra investment in dementia care in particular and social care in general.

My final concern is one that I have mentioned in the House over a number of years: the inappropriate and abusive prescribing of anti-psychotic medication. I welcome the decision to conduct an urgent review of prescribing with a view to changing practice, as change is long overdue. Countless learned reports have been written on the subject, guidance was published as part of the NSF in 2001, and the National Institute for Health and Clinical Excellence guidance demonstrates that practical, non-pharmacological alternatives to drugs are available. All those make clear both the benefits and the risks of prescribing anti-psychotics.

The benefits are principally for those who also have psychosis—that accounts for 6 to 10 per cent. of those with dementia—but about 100,000 people are routinely prescribed such drugs to control challenging behaviour. Community mental health teams have a critical part to play in turning that around, but they cover less than a third of those with dementia, and it will take time to grow CMHTs to the point where they have the staff and the competencies to deal with the additional challenges. Above all, the review must map out how to get GPs to change their prescribing practice. Despite all the clinical guidelines and the mounting research evidence of the harm that has been done and is being done by prescribing, GPs carry on prescribing. Securing change is urgent. GPs will be increasingly at risk of prosecution and disciplinary action from the General Medical Council, as the European Medicines Agency's committee for medicinal products for human use has referred Risperdal, an anti-psychotic, to its harmonisation processes.

David Taylor: The report "Always a Last Resort" dealt with anti-psychotics in detail. Does the hon. Gentleman agree that although anti-psychotics can have a part to play in controlling distressing symptoms such as aggressive behaviour, they are often used, as we heard from witnesses, to treat behaviour that is neither distressing nor threatening, such as restlessness or being vocal? We can all visit elderly people's homes and see that happening on a daily basis. That is not an appropriate use of anti-psychotics. Staff and GPs too readily go along with the idea that an anti-psychotic prescription is the best way to respond, when it is in fact the worst way. It shortens lives and increases the risk of stroke.

Mr. Burstow: The hon. Gentleman is absolutely right. The report, to which he put his name, says that such drugs should be a last resort. The problem is that in too many places—we do not know the precise numbers; we know only that it happens in too many places—it is often not a last resort but a first. We need to change that behaviour. That is critical to realising the good intentions behind the strategy.

The European Medicines Agency review to harmonise regulation on Risperdal means that the drug will be licensed in the UK for the treatment of behavioural and psychological disturbance, but in a strictly defined subgroup of people with Alzheimer's disease. Until now, no anti-psychotic drug has been licensed in this country for the treatment of dementia. EU member states that license such drugs for the treatment of dementia stipulate that their use should be limited to a period of no more than three months.

That will have important implications for prescribing and dementia care in this country. For the first time, clinicians will have a licensed drug that will significantly increase the burden of proof, in the context of the GMC's guidelines on off-licence prescribing. It will become necessary to justify prescribing other drugs than the one that is licensed. If fewer dementia suffers are routinely prescribed anti-psychotic drugs for periods in excess of three months, it will increase the pressure on families and care providers as dementia patients come off the drugs. Once Risperdal is licensed, NICE should undertake an appraisal to determine its clinical and cost-effectiveness. Indeed I hope that the Government will consider that it would be in the public interest if NICE undertook an appraisal of all the anti-psychotic drugs routinely prescribed to people with dementia.

Another driver for change comes from the USA. In June, the US Food and Drug Administration exercised its powers to require manufacturers of traditional anti-psychotic drugs to make safety-related changes to prescribing information, or labelling, to warn about an increased risk of death associated with the off-licence use of these drugs to treat the behavioural problems associated with dementia. In 2005, it made a similar requirement for atypical anti-psychotic drugs. The pressure from Europe for a licensed drug, together with the review, and pressure from the United States, must make us question what the Medicines and Healthcare products Regulatory Agency could do to ensure that we have good safety information on all anti-psychotic drugs in the UK.

[Mr. Burstow]

Although I welcome the review, it is my view, from all the information that I have seen and lobbying that I have received over the years, that there is a compelling body of evidence to justify action to tackle inappropriate and abusive prescribing. I understand that the review will concentrate on drawing up the action plan needed to change clinical practice, which is not as easy as it sounds. It is easy to say, "Change clinical practice"—many people have been saying it for a long time—but practice remains the same. Elements of any plan should include: a role for the MHRA in requiring safety-related changes to all anti-psychotic drugs labelling; a contribution from the Royal College of General Practitioners and the Royal College of Psychiatrists in drawing up and issuing clearer guidelines and driving behavioural change; the role of the GMC, not in waving a big stick, but in supporting behavioural change and, if necessary, policing unacceptable behaviour; the role of the Healthcare Commission, the Commission for Social Care Inspection and their successors in inspecting prescribing practice—for example by looking at the length of time anti-psychotic drugs are prescribed—and the contribution that clinical governance and audit in PCTs can make. I also hope that we can have a strategy setting out the support and information that families need so that they can ask pointed questions at medication reviews and other times about the appropriateness of the prescriptions offered to them. I think that the voluntary sector can make a huge contribution in raising awareness and by working with the Department of Health and others to move the agenda forward.

I referred earlier to the role of the quality and outcomes framework in signalling change. I hope that as part of the dementia strategy it can be used to reward a change of practice away from pharmacological interventions towards psychological and social interventions. Inevitably, in a debate like this, I have concentrated on those areas where I have concerns, but my purpose today has been to pose some questions and make some suggestions based on past experience. There is much to welcome in the proposed national dementia strategy, and I hope that it becomes the basis for a national consensus that delivers the dignity and quality of life that people with dementia, and their carers, deserve.

9.53 am

Barbara Keeley (Worsley) (Lab): I am delighted to speak in this debate under your chairmanship, Mr. Hood, and on such an important topic. I congratulate the hon. Member for Sutton and Cheam (Mr. Burstow) on securing it.

The debate comes as the national consultation proceeds on the dementia strategy and the funding of social care—both key policy aspects. Taken with the updated carers strategy, it is clear that the Government have made such issues a priority, and I feel that there is now a real commitment to finding solutions to the problems. My hon. Friend the Minister is a dedicated and committed champion of the needs of vulnerable people of all ages, and I am sure that the current consultations will result in policy changes that will begin to transform our care system. Issues often move up the political agenda following good campaigns run by organisations such as the Alzheimer's Society and pressure from MPs from all parties in raising them in the House. Many of those hon. Members are in the Chamber today, and I congratulate them and the society on their work.

Recently the all-party group on dementia reviewed the Alzheimer's Society report, "The Dementia Tax", and I spoke at that meeting. Two of the report's longer-term recommendations were that there must be recognition of the specific heavy burden of care costs carried by people with dementia and their carers, and that the care they receive should be of good quality and at a fair price. The debate on the future funding of social care involves a radical rethink of how we pay for and deliver care, and that debate is obviously at an early stage. Part of the difficulty is that few people think about or plan for the costs of care in the way that many plan for other costs in retirement. The new care funding settlement could look at ways for people to insure against high costs of care and support. Provision for care and support could be made through pensions, private savings, housing equity or through private insurance. However, in the new settlement, when people cannot afford their care the Government will always have a responsibility to step in and ensure that people get the support they need to live their lives.

David Taylor: My hon. Friend is making a very important point, but a third of people over 65 will be suffering from some form of dementia when they die. Is it not likely, therefore, that the premiums for such insurance would be prohibitive, particularly for those with few resources?

Barbara Keeley: Very much so. I was about to say that it is right to highlight at present the extent to which care charges hit those with dementia the hardest. We must take account of that as we move forward the debate on future funding.

Mr. Stephen O'Brien (Eddisbury) (Con): For clarification, has the hon. Lady considered how to divide funding between people with immediate needs, those at an intermediate stage—for example, those over 50—and those who are much younger and could still be incentivised to consider their future long-term care needs? How should we approach people who might have had a chance to insure against the contingency of long-term care, but chose not to do so, compared to those who never had that chance? Those seem to be the issues with which she is grappling.

Barbara Keeley: They are indeed the issues, but the debate is at an early stage, and it is right that we consider all such issues as we work through it.

In care homes—the most intensive and costly part of the social care system—more than two thirds of residents have some form of dementia. However, given that only one third of dementia sufferers are cared for in a care home, a large number of people are left dependent on social care at home, much of which is provided by unpaid family carers.

It is important to emphasise the limited and often variable quality of care services for people with dementia. I met a group of carers of people with dementia at an Age Concern drop-in centre in my constituency. Most of the people whom they cared for were still living at home, but using respite care. Those carers were experts on the standard of respite care available locally and were pretty scathing—sadly—about its quality. It is a reflection of the current state of care services that users and carers have low expectations of quality, and that must change. Like other hon. Members, I am sure, I am a firm believer in applying the test of whether we think that a care service would be good enough for our own parents, spouse or partner. We have some big issues to deal with on quality, and if we link them to funding, as has been discussed, I think that people would be more prepared to make a contribution to care costs.

The consultation document for the national dementia strategy makes a commitment on the outcome of early diagnosis and intervention, which I believe is vital in transforming the future of dementia care. Many of the improvements in care for people with dementia are reliant on good-quality early diagnosis, and with medical developments more could then be done at an early stage for those with dementia, which could mean that they can live independently at home for longer.

The NICE guidelines on drug treatment for mild cases, which seem to have hampered NHS funding, need further review. We are talking about a cost of £2.50 a day, which must be weighed against other costs that families incur—it is important that in our debates we weigh up the costs to families.

Mr. Burstow: Does the hon. Lady agree that NICE needs to be able to take a wider view of the costs and their impact on carers when assessing such drugs?

Barbara Keeley: Our strategies should not deal with the issues separately. I was making the point that we must start to weigh up the costs to unpaid family carers, resulting partly from their reduced work hours. We must also consider the outcome for those with dementia who will spend longer in care homes without that early care.

On care services, a key question is whether we go for local flexibility in provision of services or for setting national standards for care. We had a debate in this Chamber on the future of care a few weeks ago, in which I argued strongly for setting national standards. There are two local authorities and two primary care trusts in my constituency, all of which set different criteria for levels of need and the allocation of care services. It is unacceptable to me, as the MP for Worsley, that local people face those differences. I want a national basic entitlement to care. It is important that our social and community care services develop so that we provide that care early and at lower levels of need, although it would have resource implications that need to be faced.

It is estimated that 2,200 people in Salford have dementia, so there are about 1,000 such people in my constituency. With their carers, they are a significant group. If we want early diagnosis and intervention for people who have dementia, care must be provided earlier, and advice and support must be given both to them and to their carers. The point has already been made that early intervention could and would prevent later costly treatment, as well as—this is important—preserving quality of life for people with dementia and their carers.

There is concern about age discrimination in the provision of treatment and care. The national service framework for older people states that clinical need should be the basis for treatment, regardless of age, but many individuals and organisations in the field of dementia care have given examples that show that is not the case. The equalities Bill will contain a new equality duty that will cover age discrimination. The new law will ban unjustifiable age discrimination such as a doctor failing to investigate a health complaint raised by an older person or not providing treatment simply because of age. Work also needs to be done to tackle the culture of ageism that is built into health services and which affects decisions about paying for care. That difficult issue will need a fundamental change of attitude from health providers.

Recent research commissioned by the Department of Health through the Centre for Policy on Ageing reported different types of ageism in the health care system. Examples include "productivity ageism"—giving priority to young adults because they are more productive—and "health maximisation ageism", which is used in quality adjusted life years assessments; the greater life expectancy of younger people means that they benefit more. A third type is "fair innings ageism", which, as the name suggests, compares remaining expected healthy life years to an average and gives a weighting that benefits younger people. Older people deserve good treatment too. If we were to apply the test of whether we think a service or treatment good enough for our parents, we would not apply ageist attitudes when deciding if older people should have the service.

As has been said, it is crucial to recognise the vital role that unpaid family carers play in dementia services. The national carers strategy was launched recently, and carers' concerns are now considered in relation to health and social care in a new way. I have campaigned, through two private Member's Bills, for health professionals to identify and support carers, and I will continue to press that case. Early diagnosis of dementia is important, and at that point, the consultant or general practitioner should also identify the patient's carer and refer them to the support that they will need to cope with their growing caring responsibilities. I think that the hon. Member for Sutton and Cheam said that there are only 20 quality and outcomes framework points for GPs identifying dementia patients, but there are only three QOF points for identifying carers. Surely that should be reviewed.

Mr. Philip Hollobone (Kettering) (Con): Does the hon. Lady agree that one of the most distressing aspects of dementia care is how it affects couples? People affected by dementia are often cared for by elderly spouses who might have different problems of their own. There does not seem to be enough emphasis in the system on keeping couples together to face their different health challenges.

Barbara Keeley: That is a key issue. As we press matters such as dignity and support for carers, the issues that couples face have to be taken more into account.

Carers have vital information needs, and we are starting to recognise that they should be offered training, support through carers groups and breaks from caring. The Alzheimer's Society survey of carers and its recent report showed that only 40 per cent. of the carers surveyed attend a support group, that 29 per cent. have respite care at home and that 29 per cent. have respite

[Barbara Keeley]

care through a care home. That may be due to issues of quality and availability, but given that many carers of people with dementia are at the heavy end of caring, the position must be improved. Carers I have met tell me that they feel as though they are fighting the care system to get what they and the person for whom they care need. The process can be exhausting; it is stressful enough to be a carer without having to fight the system too. To help carers, we must continue to campaign until they have more information, a simple and fairer financial system for funding, and the option of help at home and breaks when needed.

Another issue of concern is the difference between the end of life care offered to cancer patients and that offered to people with dementia. Hospices do a wonderful job; I single out in particular St. Ann's hospice in Little Hulton, in my constituency, which is a wonderful resource. We should consider whether we can offer dementia patients more dignified end of life care, in the same way as cancer patients are treated at hospices, as well as giving their family members more support.

We should have the national dementia strategy by autumn. With the new national carers strategy, the personalisation agenda launched in "Putting People First" and the review of future funding, we have our best chance for decades to bring about the changes that many of us want in health and social care.

10.6 am

Greg Mulholland (Leeds, North-West) (LD): I congratulate my hon. Friend the Member for Sutton and Cheam (Mr. Burstow) on securing this hugely important debate. As everyone in the House knows, he has been extremely active in this area. Indeed, before I took up my current role he used to perform it, and did so with real distinction. I pay tribute to his work; he has shown himself to be a real champion for older people, particularly those who are vulnerable.

The debate is particularly timely as it comes after last week's dementia awareness week. The issue is of ever greater and more pressing importance in society. Current estimates suggest that more than 700,000 people in the UK have dementia, and that number is expected to rise by more than 1 million by 2025 and 1.7 million by 2051.

As we have heard, dementia affects not only the individuals concerned, but the millions of families involved, and the cost of dementia care is £17 billion a year, of which £14 billion is for England alone. That is more than the cost for cancer, heart disease and stroke combined, which is a shocking statistic. The figure is expected to double within two decades to £35 billion as advances in health care lead to longer life expectancy. However, we are not investing enough in research at a time when more than a third of over-65s suffer from some form of dementia when they die.

I echo my hon. Friend's comments welcoming the national dementia strategy, which is a big step forward. I think that we all wholeheartedly back the call to bring the issue out of the shadows. He made the useful suggestion that the debate should be part of the vital consultation process that we all believe to be important and welcome. I, too, attended last week's meeting of the all-party group on dementia, as did the hon. Member for Eddisbury (Mr. O'Brien). On some issues, we all spoke with one voice, and we all paid tribute to the work of the all-party group, the Alzheimer's Society and other organisations that do so much to push the issue up the agenda. We also acknowledged that the Government have listened, which is creditable; the issue is very much on the table.

The strategy has three core aims, the first of which is to address the lack of understanding about dementia. We have heard, particularly from the hon. Member for North-West Leicestershire (David Taylor), who is no longer in the Chamber, about the need for more comprehensive staff training on how to deal with dementia and related issues. That is crucial, particularly for front-line staff in care homes.

My hon. Friend the Member for Sutton and Cheam highlighted the need for early diagnosis and intervention in dementia cases. The Public Accounts Committee report revealed that two thirds of people with dementia never receive a specialist diagnosis, which is hardly surprising given that the National Audit Office showed that only 31 per cent. of GPs felt that they had received sufficient training to help them to diagnose and manage dementia. The British Medical Association suggested that doctors had less confidence about diagnosing dementia in 2007 than they had in 2004, so the medical profession itself says that more needs to be done.

One problem that has been highlighted is who should take responsibility for the situation. The answer is unclear, and I echo my hon. Friend's suggestion that we must have specialist experts in dementia. They might be a geriatrician, a GP with a special interest, or a psychiatrist with a speciality in older age, but we all agree on the need for medical specialism in the area.

Improving the quality of care is another priority in the new national dementia strategy, and we all accept that there will be no quick fix. About 62 per cent. of care home residents are thought to have dementia, but less than 28 per cent. of care homes provide specialist dementia care. That issue goes back to training and to the need to introduce qualifications for care home workers—I am aware that has been suggested.

There are concerns about research funding, and I should like to ask the Minister for his thoughts on the current level of funding, because although costs continue to rise, we all accept that there is a huge burden on the system. Nevertheless, only 3 per cent. of the Department of Health's research budget is spent on finding new ways of preventing and treating dementia, while a quarter of it is spent on cancer research. No one suggests that those issues are not hugely important, but if we are to tackle the huge societal and economic burden of dementia, we must consider increasing the figure. Currently, in real terms, for every £289 spent per cancer patient, only £11 is spent on Alzheimer's sufferers, so when we consider the huge numbers of people who will suffer from dementia, and its effects on their families, on communities and on society, we see that the issue must be addressed.

It is vital that the work of the third sector—the voluntary sector—continues to be supported. It has done much to push the issue forward, but Rebecca Wood, the chief executive of the Alzheimer's Research Trust, warns quite bluntly that if the level of under-investment persists, the economic consequences arising from dementia care costs will be "catastrophic".

My hon. Friend the Member for Sutton and Cheam mentioned anti-psychotic drugs—an issue on which he has campaigned tirelessly. Other Members mentioned it, too, but I know that the issue is dear to my hon. Friend's heart, and I pay tribute to him for highlighting the scandalous way in which those drugs have been used and, unfortunately, in too many circumstances, are still being used inappropriately as a chemical cosh to suppress rather than to treat. The chilling reality is that, in some cases, the use of those drugs shortens people's lives when they simply should not be used, or are not being used for an adequate medical purpose. I support his calls for a review by the National Institute for Health and Clinical Excellence—I should be interested to hear the Minister's comments—on Risperdal and on the general principle. It is extremely important.

I also echo the comments, made particularly strongly by the hon. Member for Worsley (Barbara Keeley), and by the right hon. Member for Oxford, East (Mr. Smith), that we must ensure that there is joined-up thinking between the national dementia strategy and—something else that the Minister has championed—the national carers strategy. I sit on the Select Committee on Work and Pensions, which is examining carers' roles from the point of view of the responsibilities of the Department for Work and Pensions, and there clearly has to be joined-up thinking. In this debate, we have heard powerful accounts of the reality of life for families, carers and spouses—elderly spouses, who so often care for people with dementia. All of us who have witnessed such situations, either through families or through constituents, know that they are incredibly distressing. People have to care for their loved one while they are grieving for the loss of that person to dementia. It is tragic, and our society must do all it can to support them.

We are all aware of the role that carers play in society, and I am pleased that their importance is being pushed up the agenda, and that their contribution to society is being increasingly recognised. We must acknowledge that carers for dementia sufferers save the social and health services about £6 billion a year, and I hope that we all echo the calls of organisations such as Help the Aged, which want the everyday rights of carers throughout the country to be acknowledged and the care and support system to be fundamentally overhauled, particularly for people with dementia, who have specific needs.

This debate has been very positive, and I look forward to the Minister's response to the points that my hon. Friend the Member for Sutton and Cheam made. We all agree about how pleasing it is that these issues are firmly on the agenda, that we are talking about them and that things are moving forward. All parts of the House want to be part of the process, and we have to ensure that the results of the consultation and the subsequent national carers strategy transform the lives of people who are affected by that most tragic of conditions, and help their families. I hope that as a society we will then stop brushing dementia under the carpet, and I applaud all the attempts to bring the condition out of the shadows. The fact that we are talking about it today is a very positive step.

10.16 am

Mr. Stephen O'Brien (Eddisbury) (Con): I congratulate the hon. Member for Sutton and Cheam (Mr. Burstow) on securing this important debate, which is timely, given the recent review by the all-party dementia group, ably chaired by my hon. Friend the Member for Rugby and Kenilworth (Jeremy Wright), on the use of anti-psychotic drugs; the report on the dementia tax by the Alzheimer's Society; the consultation on the Government's national dementia strategy, including the focus on anti-psychotic drugs as a direct result of the work by the all-party group; and, embracing all that, the Government's consultation on the future of care and support.

In addition, as the baby boomer generation becomes involved in long-term care for older people, and the demographic bulge brings bigger pressures to bear on our health and social care services, the issue is, and will remain, a key area of debate now and during any forthcoming general election, whenever it is called, although that does not necessarily mean that it must be an issue of dispute. Many of us who regularly take part in such debates recognise in our constituents the demand, as well as the hope and expectation, that we can find a consensual way forward.

Many Members fully understand that dementia is a collective term for a range of medical conditions. There are more than 100 different forms of dementia. Alzheimer's disease is the most common cause, accounting for about 55 per cent. of cases, while vascular dementia accounts for about 20 per cent. The Alzheimer's Society says that there are about 700,000 people in the UK with dementia, and that about 163,000 new cases of dementia occur in England and Wales each year. It is a life-shortening illness, although another illness is often the main cause of death. However, average life expectancy is unpredictable: the disease can progress for up to 10 years, with average life expectancy being about six years.

From a public policy point of view, that gives the disease particular complexity. About one in three or four people will need long-term care, and of that number about a fifth will have some form of dementia. Furthermore, about a third of those with dementia need institutional care and two thirds of the care home population either has, or will have, some form of dementia. Although the incidence of dementia increases significantly with age, particularly among those aged 85 and over, it is important to note that there are approximately 18,000 people under 65 in the UK who have dementia. I would be interested to hear from the Minister what account will be taken of those people in the dementia strategy.

As we know, in the next 20 years, the number of people aged 85 and over in England is set to increase by two thirds compared with a 10 per cent. growth in the overall population, according to Derek Wanless's 2006 predictions. That is expected to lead to an increase in dementia occurrence. In August 2005, results from the Medical Research Council's cognitive function and ageing study showed that improved health and mortality were not likely to guard people against the risk of developing dementia. Although there is no vaccination or cure, dementia is most common at an advanced age, so a fairly modest delay of a few years in the onset of the disease, or in its progression, could mean a significant reduction in the numbers suffering from it.

Under Wanless's predictions on social care, an estimated £14 billion gross spend in 2006-07 is forecast to double to between £24 billion and £31 billion by 2026, depending on the decisions that we make now. It is likely that the cost of dementia in 2026 will be about £12 billion to £14 billion. At a personal level, the Wanless review

[Mr. Stephen O'Brien]

estimated that the cost of residential care for the elderly mentally infirm was 14.1 per cent. higher than for "ordinary" elderly residents, and that the cost of nursing care was 4.7 per cent. higher. The report, "The Dementia Tax", by the Alzheimer's Society highlighted the unfairness of the situation for people who need care because of dementia, and for their families: dementia it is a medical condition, but invariably it requires social care.

There are wider issues in dementia care than the actuarial estimations about current and future support. It is easy, as we consider the commitment of the British taxpayer to this issue, to forget that we are dealing with individuals such as ourselves and families similar to our own, with all the emotional, spiritual and physical needs that come with our humanity. It is right that we bear in mind those people that we know—friends and family—who have dementia, or who care for someone with it, as we debate these issues.

One big area of work, which has recently given rise to public outcry, is the use of antipsychotic drugs in care settings, which was touched on by all the contributors to the debate, and by those who intervened. I pay tribute to the work of the all-party group on dementia, particularly my hon. Friend the Member for Rugby and Kenilworth for his chairmanship. In its report, "Always a Last Resort", the group made a key point:

> "There are serious concerns that there is widespread inappropriate prescribing, for example, antipsychotics are being used for people with dementia who have mild behavioural symptoms and prescribing is often continued for long periods of time...This is despite the fact that antipsychotics have limited benefit for people with dementia, particularly when prescribed for long periods, and despite the serious side effects associated with their use...Side effects include excessive sedation, dizziness and unsteadiness, which can lead to increased falls and injuries, as well as body rigidity and tremors. Research shows that there is almost a doubling in the risk of mortality and an increase the risk of stroke by up to three times."

I am therefore glad that the Government have taken up the report's criticisms in their consultation on the national dementia strategy, and I pay tribute to the Minister for doing so.

Another concern is the closure across the country of care homes for the elderly mentally infirm. There is concern not only about the provision of places to those who need them, but about the provision of places in locations that are convenient for friends, family and, in some cases, spouses, who might well be dependent on public transport to get there. We heard in an intervention about the vital need to emphasise ways in which we can best try to keep couples together. I have tabled parliamentary questions on the matter, but I was told that the Department of Health does not collect the relevant data centrally. I would therefore be grateful if the Minister would consider writing to me, and anybody else who is interested, to outline what information the Department does collect in this area. I was hoping that I might even get a quick nod of agreement from him, but I have not quite seen that happen so far. Perhaps he will address this issue in his response, but it would be helpful if we could at least know what data are collected, or whether he thinks that the Department should start collecting those data centrally, to ensure that we look at the geographic spread of places for the elderly mentally infirm, and whether provision is being lost or maintained, so that we can start examining how we keep families and communities together.

Another key area of policy is telecare, which enables individuals to live independent lives and carry on living in their own home even as their dementia progresses. That is clearly a very large and wide subject, and I think it may be the subject for another debate. However, it is important to mention it briefly, as it is a key issue. Finally, there is the issue of drugs, particularly for the early stages of Alzheimer's. I pay tribute to all those who have campaigned on this issue, not least one of my own constituents, Leila Potter, who has been engaged for many decades with all the issues arising from caring and support for those with dementia. It is only right that NICE take into account as part of its criteria wider societal costs, such as the earlier requirement for care that would otherwise not be needed if drugs were prescribed at an early stage.

As the Minister knows, for more than a year, we have proposed as policy that NICE should make its judgments taking into account those wider costs. That is important, because it would require a change in NICE's statutory remit, and thus would require primary legislation. It is something to which my party is committed, and I was very pleased to hear the hon. Members for Sutton and Cheam, and for Leeds, North-West (Greg Mulholland), confirm their interest in, and support for, that policy. I just hope that the Government can tell us, either today or very shortly, that they, too, are minded to support that policy and will introduce the necessary legislative proposal.

The report, "The Dementia Tax", highlights one of the key questions facing the Government: do they deal with dementia as part of the discussion on care and support, or do they deal with it separately? What is certain is that we would have been in a much stronger position to confront the growing issue of dementia if the Government, having waited for so many years, indicated how they propose to resolve the question of funding long-term care.

I do not need to remind the Minister that the former leader of his party, Tony Blair, said in his 1997 conference speech:

> "I don't want to live in a country where the only way pensioners can get long term care is by selling their home".

That promise has been around for more than a decade, but only a little has been done about the issue. I think that the Minister would have to admit that the take-up for what has been made available has been paltry. In fact, the present Prime Minister, in launching the consultation, said that

> "younger adults are aware that much of their parents' hard earned housing wealth may disappear...at some point in the future they may have to sell a treasured home to pay for their own care...too many people fear the prospect of selling their homes".

He therefore continues to ape his predecessor, rather than take the requisite action. The Government rejected the proposals from their own royal commission; they rejected the requests made by Derek Wanless to conduct a review for the Treasury into long-term care; and they rejected his findings when he was able to conduct such a review through the King's Fund.

When the hon. Member for Birmingham, Hodge Hill (Mr. Byrne) was Parliamentary Under-Secretary of State for Health, he announced a review group, which barely met, to introduce a policy following the comprehensive spending review. The Minister who is with us today gave countless assurances that he was winning his tussles with the Treasury, which were all to no avail when the CSR was actually published. We do not have as yet the results of those consultations, which we hoped would give the Treasury the competence it needs to deliver the "new settlement", to quote the Minister, that he hoped to announce.

We now have a consultation preceding a Green Paper—in his winding-up speech, the Minister might want to outline the difference between a consultation and a Green Paper. At best, the debate on the future of care and support shows that the Government are still searching for an idea; at worst, it is another attempt to dodge the issue until after the latest date for the next general election. Perhaps, therefore, I could invite the Minister to confirm the Government's intent to resolve this issue before 2010 or, if the polls are anything to go by, to leave it to others to do so after that date.

10.29 am

The Parliamentary Under-Secretary of State for Health (Mr. Ivan Lewis): I congratulate the hon. Member for Sutton and Cheam (Mr. Burstow) on securing this debate and, perhaps more importantly, on the work that he has done over many years to raise the importance of dementia care within and outside this place. It is now acknowledged as one of the big health and social care challenges of our time, and he deserves significant credit for our having reached the stage that we are at today.

Before I address some of the substantive points made by the hon. Member for Eddisbury (Mr. O'Brien), I would like to point out that we sit in debate after debate in which he simply reels out a narrative about the nature of the challenge, the statistics and the existing situation. He is a spokesman for Her Majesty's official Opposition, but he never knowingly comes up with a tangible policy solution to any of the major public policy challenges. I do not blame him, because we all know the situation. The shadow Chancellor has made it clear that there are to be absolutely no spending commitments from his party before a general election, but it is rich for the hon. Member for Eddisbury to lecture me when in fact the Opposition do not appear to have any credible policies whatsoever on these issues.

Let me return to the substance of the debate, during which hon. Members discussed the context. Demographic change is one of the biggest challenges that now face our society. Arguably, it is every bit as much of a challenge as globalisation, climate change or fundamentalist terrorism, but rarely does it feature on the list of the top four or five priorities. As people live longer, an increasing number will have long-term conditions. Alongside that, people's expectations about and aspirations for the quality of care and support that they will receive are radically different from those of the previous generation.

As the hon. Member for Eddisbury rightly said, two thirds of people in care homes have dementia. It is estimated that over the next 20 years, one third of those over 65 at death will have the condition dementia. It is one of the biggest issues that the health and social care system faces. Last summer, I committed the Government to bringing it out of the shadows.

As my hon. Friend the Member for Worsley (Barbara Keeley) rightly said, it is important that we do not simply look for solutions to the challenge presented by dementia, or develop a dementia strategy in isolation. It is incredibly important that we look at the reform agenda in the round. Therefore, when the hon. Member for Eddisbury accuses the Government of a lack of action in such areas, it is because he seems blissfully unaware of the radical reform agenda that the Government have laid out in the past year for health and social care in this country. From 1 April this year, the "Putting People First" transformation agenda, which is supported by more than £500 million of investment, will be rolled out in every local authority area. We are shifting the system to prevention and early intervention, providing universal information and advice, and moving to a system in which the vast majority of people have personal budgets so that they can exercise maximum control and choice over their own care.

Lord Darzi's report only last week—it coincided with the 60th anniversary of the national health service—has a strong emphasis on the working parties in each strategic health authority, and his national enabling report discusses the importance of mental health issues. The primary and community care strategy that we launched last week deals with the need to look again at the incentives, quality and outcomes framework—QOF—points and so on that inform the behaviour of general practitioners and other health care professionals involved in primary and community care.

As hon. Members have said, we have also embarked on a national consultation on the review of the care and support system. What care and support do people have a right to expect in the 21st century, and what are the respective responsibilities of the state, the family and the individual in that context?

Within the past three or four weeks, we launched the national carers strategy, and, a couple of weeks ago, the consultation on the first ever dementia strategy. In the very near future, we will launch the first ever end-of-life care strategy. I would gently say to the hon. Member for Eddisbury that there has never been as much policy focus, investment of resources and facing up to big challenges as there has been during the most recent period.

I shall respond directly to some of the points that the hon. Member for Sutton and Cheam raised. First, he and other hon. Members mentioned the impact on families. Unless one has met a family who are dealing with dementia, it is difficult to understand the scale of the trauma, anxiety and guilt that the condition causes. I agree entirely with my hon. Friend the Member for Worsley about the test that we should set for health and social care services. I have used it myself. If the care would not be good enough for my mother or father, why should it be good enough for somebody else's mother or father? That is the test that, over time, we should seek to establish.

As the hon. Member for Eddisbury said, it is right that when we debate these issues, we keep in mind the fact that we are talking about real people and real families in our communities. Dementia no longer affects only a relatively small number of people at the margins.

[Mr. Ivan Lewis]

The ageing society and dementia are issues for a growing number of families in our country.

I, too, wish to pay tribute to the Alzheimer's Society, which the hon. Member for Sutton and Cheam mentioned. It has done a tremendous amount of work to ensure that dementia care is at the fore in public debate.

The hon. Gentleman raised several issues around quality of care. He will appreciate that, having put a document out for consultation, it would be slightly disingenuous for me to prejudge its outcome by directly answering all his questions—that would make a mockery of the consultation. However, I shall address some of his points. We are considering a clinical director of national dementia services. As part of Lord Darzi's review, the publication of the primary and community care strategy will deal with issues such as the balance of QOF points and primary care.

My right hon. Friend the Member for Oxford, East (Mr. Smith) discussed carer support. The carers strategy that we launched in the past three or four weeks commits a massive amount of additional investment to respite care over the next couple of years. It will be crucial not just to expand the amount of respite care in our country but to get the quality right. We know that for many carers of people with dementia, it is not only accessing respite that is an issue but feeling confident, secure and comfortable that the respite care that they use for their relatives is of sufficient quality.

Mr. Burstow: One of the comments that is often made to me about respite care is that access almost needs to be on demand. It needs to be there when people need it, not at some point that is convenient for the agencies that provide it.

Mr. Lewis: I agree entirely. Respite care for people with dementia must be safe and secure, and the staff must be skilled and expert, but, like all respite care, it increasingly must be customised to and tailored around the needs of the individual and the family unit. We cannot expect families to fit into a one-size-fits-all offer.

However, I would give a cautionary note about suggesting to the public that "on demand" is always realistic, given the context of available resources. The Government cannot make promises that they cannot deliver. Nevertheless, organising respite in a flexible way around the needs of families is crucial to the care that we want to develop for the future.

The hon. Gentleman asked about the NHS operating framework. His understanding is correct: this year, primary care trusts are expected to prepare, build capacity and start thinking about the issues, based on the strategy. From next year, dementia will obviously receive a much greater focus and priority. I cannot predict the exact words in the NHS operating framework, but I can assure him that the commitments in the final strategy will be reflected in the operating framework. They will also be reflected in all the other measures that will influence local agencies to take dementia seriously. The hon. Gentleman rightly mentioned local area agreements.

The hon. Gentleman also mentioned the work force. He was right to discuss the need to ensure that there are sufficiently skilled professionals, both for accessing universal services and then referral on to more specialist services. That clearly will be an important part of delivering the strategy.

The hon. Gentleman mentioned continuity of care. We need to give serious consideration to the reference in the document to the possibility of creating a network of dementia care advisers in every community. Families want people alongside them who can help them to navigate what can often be a complex, challenging system.

My hon. Friend the Member for North-West Leicestershire (David Taylor), who is no longer present in this Chamber, urges us to have mandatory training in care homes. Of course, we will consider how to improve considerably investment and quality in training. It is crucial, in every care setting, that we improve both entry-level training for professionals and continual professional development.

The hon. Member for Sutton and Cheam mentioned anti-psychotic drugs, which he has done more than any parliamentarian to highlight. I assure him that I will share with him, and with anybody else who wants to see them, the terms of reference of the project that I have established in the Department, under the leadership of Dr. Sube Banerjee. Those terms of reference will be transparent. I urge the hon. Gentleman to work with us on this. It is important that we come up with solutions to this unacceptable situation involving the inappropriate prescribing of drugs or, in some cases, the prescribing of drugs that should not be prescribed for these purposes. That is unacceptable and we must do everything in our power to put a stop to it, but equally we have to get it right. It would be no good coming up with solutions that brought about a series of unintended consequences that led to worse circumstances both for people with dementia and their families and, indeed, for the professionals on the front line. We must ensure that our recommendations are right, but there can be no excuse for the inappropriate prescription of drugs to people with dementia. We would not tolerate it for any other group of people in our health care system. Therefore we cannot tolerate it where it is inappropriate—I say that deliberately—for people with dementia.

The hon. Gentleman also mentioned research. We must have a new look at research and I am committed to doing that. We will have the round table and, when the final strategy is published, we will also be talking about where we go in future with our research investment and research strategy. It is difficult to start comparing the amount that we invest in dementia with the amount that we invest in cancer, because the insinuation is almost that some hon. Members would shift resources from cancer research to dementia research. I do not believe that any hon. Member is advocating for that.

Mr. Burstow: The Minister is right: it would be invidious to suggest such a reallocation. But people who are planning to attend his summit want to know whether there is any new cash on the table that they can make a case for being put into research in future.

Mr. Lewis: I cannot give a cast iron assurance today. The hon. Gentleman knows that we are in the middle of a comprehensive spending review. Some of the money comes from the Government and some comes from other sources. We have first to be clear about the following matters. What are we spending overall? How does that fit with what is being spent globally? How do we ensure that any expanded investment in research adds value? Where do we secure the resources from? All those questions will have to be answered.

My hon. Friend the Member for Worsley has an impressive track record, since becoming a Member of Parliament, of championing the cause of carers and ensuring that social care has a much greater priority than in the past. She referred at length to the review of care and support. We have now had two high-quality regional engagement, or consultation, events: one in Manchester and one in Leicestershire, where I was yesterday. We have some difficult, challenging issues to resolve. We have to be much clearer about what system people have a right to expect—not just now, but over the next 20 or 30 years, in terms of quality, as my hon. Friend said, flexibility, as the hon. Member for Sutton and Cheam said, and personalisation. Equally, we have to resolve issues, such as the one that my hon. Friend raised, for example, about the balance between what should be available as a national entitlement and what should be subject to local discretion. Unlike the health service, social care has always been a highly devolved service, in terms of its commissioning and so on. A lot of people forget that 75 per cent. to 80 per cent. of social care in England is provided through either the private or the voluntary sectors. My hon. Friend is right to say that the question to be addressed—one of the wicked issues that has to be resolved in terms of the future caring system—is, what should be national and what should be local?

My hon. Friend mentioned quality. Right at the heart of last week's recommendations by Lord Darzi of Denham was the suggestion that we need to move the health service towards a relentless focus on quality. As my good friend Lord Darzi says, quality should be the organising principle in the future of the NHS. Of course, we must have the same aspiration for social care. Equally, we must look increasingly at the joining up of social care and health care and the wider services that local authorities commission under the well-being banner, as well as at the primary and community health strategy. I am delighted that Lord Darzi's report reflected that.

My hon. Friend has sponsored private Members' Bills on the question of the responsibility of general practitioners not only to identify carers but to act on their needs. She is aware that that is referred to in the strategy that we have launched in terms of the future of primary and community care. We must have a renewed look at the role of carers, in the context of an ageing society with more people with long-term conditions. Surely, carers should be given a much greater priority at primary care level. It has to be said that, within the existing QOF framework, some GPs are already doing that in an impressive way. We have to ask some questions about why that is not happening everywhere.

My hon. Friend also spoke about end-of-life care. We will be making announcements soon on the first ever national end-of-life strategy, which will support the fact that, as part of Lord Darzi's work, every strategic health authority area has now devised a pathway to be implemented in terms of best practice and end-of-life care. The national strategy will be about enabling and supporting that and ensuring that the right level of resources goes into end-of-life care, through a step change with regard to investment and commissioning. We all know that, from the point of view of a civilised society and with regard to a dignity and respect, there is nothing more important than getting end-of-life care right.

The hon. Member for Leeds, North-West (Greg Mulholland) made a constructive, fair contribution to the debate, for which I thank him. He rightly said that carers are one of the greatest family policy priorities that we face. Addressing the needs of carers is not simply the responsibility of the health and social care system or the Department of Health: there has to be a holistic, cross-Government approach. Let me give three examples of the changing nature of families and carers. First, the carer is usually a woman who is struggling to bring up a child and hold down a job while caring for an elderly parent or grandparent. Secondly, consider an older person having to deal with the early onset of dementia in their husband or wife, while being expected to be at the school gate at 3.30 pm on Monday to Friday to collect their grandchild whose mum and dad are at work. Thirdly, the fact that people with disabilities, particularly learning disabilities, not only have full lives, but long lives means that some people are now essentially lifetime carers. Those are examples of why the hon. Gentleman is right to say that we need to recognise and value carers as we have not done in the past. Our 10-year strategy is an important process. The outcomes and the journey are clear, as is the destination that we want to get to, but we have to facilitate an awful lot of changes on the ground so that carers get the two things that they said they want. They want a system that is on their side, rather than one against which they are constantly battling, and the right to a life of their own alongside their caring responsibilities, whether than be the right to work or the right to a decent leisure and social life.

I join the hon. Member for Eddisbury in his tribute to the hon. Member for Rugby and Kenilworth (Jeremy Wright) for the work he has done chairing the all-party group on dementia. Indeed, I pay tribute to the all-party group for perhaps doing more than most all-party groups in respect of undertaking more serious, substantive pieces of work in this area, which have triggered not only public debate, but policy advance as a consequence of that. The hon. Member is absolutely right, sadly, in saying that increasing numbers of people of less than pensionable age—people in their 40s and 50s—are being diagnosed with dementia. It is, of course, important that when the final strategy is published, it truly reflects that as a reality. None of us would want 40 and 50-year-olds to receive respite care in residential and nursing homes where the predominant population is people in their 80s and 90s. Some real issues arise. If there are problems with appropriate diagnosis of people in their 60s, 70s and 80s, we can imagine the undoubted difficulties of diagnosing much younger people who have the early symptoms of what will turn out to be dementia.

The hon. Member for Eddisbury asked me to write to him because I cannot provide him with national information. I was puzzled because I was not sure what he was asking me to write to him about. I think he was talking about the provision of specialist mental health beds, but was he referring simply to geriatric mental health beds in in-patient hospitals, or more broadly to that?

Mr. Stephen O'Brien: I am happy to provide clarification. The numbers seem to have been reducing, but that seems to have been on a local and regional basis. They are anecdotal, and written parliamentary answers have not been able to shed any light on the volume. The straight answer to the Minister's question is both: the specialist settings, as well as in hospitals. The main thing is to have the capacity for the elderly mentally infirm to be cared for.

Mr. Lewis: We have made progress, but the problem with debates such as this is that they are always about the default mode and the negative. The sort of progress that we have made means that an increasing number of people are being cared for at home or in residential establishments, and are not being cared for on acute hospital wards, although there are still too may people on acute NHS wards. The correlation between the reduction in the number of acute beds and the needs of people with dementia not being met is not necessarily correct.

I say genuinely that we cannot have political parties and parliamentarians demanding less and less red tape and bureaucracy, and more and more decisions taken by local commissioners responding to the needs of local communities, and then demanding that national Government keep information on everything. The two positions are entirely contradictory. That is why we have some difficulties in those areas. If the hon. Gentleman wants to write to some PCTs or strategic health authorities to see whether they have any hard data that would assist, I advise him to do so. We do not keep that information centrally.

The hon. Gentleman referred to the future of care and support. He continually misquotes me when he talks about wanting a new consensus for a new settlement. I have been saying that for a long time, but I always say that I want a new consensus for a new settlement in terms of the long-term resolution of the future care and support system. I did not use the term in the context of the current spending review period, but the money that has gone into local government, the money that has gone into health, the money that we announced as part of the massive expansion of respite care, and the money that has gone into the transformation agenda for social care is a significant investment. The hon. Gentleman chooses to use only the figure for the money that has gone through local government and is spent specifically by the adult social services department of the local authority. Many more resources are being spent on tacking these issues, and he is aware of that.

In 1999, we introduced the deferred payment scheme, which should prevent many people from having to sell their homes when they go into care. That is something that the Government introduced, and was not available in the preceding 18 years. I agree with the hon. Gentleman that it is not clear how many people have used that opportunity, or whether local authorities have, as they should, offered people that option, and we must explore that.

More fundamentally, the demographic challenges facing us, people's rising aspirations for what they expect from care and support, and the cost of dealing only with demographic changes means that there are no easy answers or solutions. The challenge is to define clearly what quality of care people have a right to expect, and then to be clear about the respective responsibilities of the state through general taxation, and what we expect from families, employers and communities in providing the care and support systems that people have a right to expect.

This is not just about the work that Wanless did, which focused on the over-65s and mainly on the over-85s. It is about all adults from the age of 18, including disabled people who want the right to live independently, and people with mental health problems or with learning difficulties, who also want full lives and the opportunity to live independently. It is also about the increasing number of people who are not older but who have long-term conditions. Our consultation, the Green Paper and the process are very different from what has been spoken of over the past few years in terms of what is necessary for the future of care and support in this country.

Mr. O'Brien: Will the Minister give way?

Mr. Lewis: I will not give way.

It remains disappointing that when I constantly ask for a new consensus for a new settlement, Her Majesty's Opposition do not seem to have one contribution to make to one of the most important public policy debates in this country. As the hon. Gentleman knows, the Leader of the Opposition set up a working party to consider social care. How often has that working party met? We know the answer. It has met hardly ever, if at all. If he wants to correct me, he can write to me with the details of the group that the Leader of the Opposition has established.

Mr. O'Brien: As I have said, I am more than happy to confirm that that group met frequently.

While I am on my feet, I ask the Minister now to address a particular policy point. Will he agree to bring forward at primary level the legislation that we have proposed for NICE's statutory remit to be changed to include the societal cost—that is, the cost of carers—when taking into account the cost and clinical effectiveness of drugs, not least those for early-onset Alzheimer's?

Mr. Lewis: No, I will not agree to do that during this debate. The issue is ongoing, and one to which we must give serious consideration in the context, as my hon. Friend the Member for Worsley said, of the changing nature of families and the responsibilities that carers increasingly have in our communities. Of course, we must keep that under review, but when we set up an independent body to make incredibly difficult decisions on access to drugs and treatment, it is wrong that politicians seek to undermine it and to pander to short-term political considerations. That is not the way we should go, but I am delighted that Lord Darzi's report and the new draft constitution on the NHS make it clear that we will end the postcode lottery in access to drugs. When NICE approves drugs, they should be available in every PCT area in every part of the country to every NHS patient as a right. That is a major advance in the NHS constitution that we launched recently.

In conclusion, there is all-party agreement that we must bring dementia out from the shadows. It is one of the greatest challenges facing families in our country, and one of the greatest challenges facing the health and social care system. The Government have demonstrated that they are up to that challenge. We have published a consultation paper on the first ever national dementia strategy, and we will publish the final document in the autumn. The challenge for all of us will then be to ensure that we deliver the strategy so that in every community people with dementia and their families have access to the high-quality support that they deserve.

The Tote

10.59 am

Mr. Richard Caborn (Sheffield, Central) (Lab): I put on record our thanks to the staff of the House who have prepared the briefing—Greg Howard and his colleagues have done a first-class job and have saved us many hours of research.

It is not often that I buy the *Racing Post*—in fact, I do not think I have ever done so before—but I bought it this morning. At £1.50 it is nearly twice the price of *The Guardian*—*[Interruption.]* It is not quite as left wing as *The Guardian*, but I spoke to someone this morning who said that the subject we are discussing was going to be in the *Racing Post*. When I sat down on the tube, a guy saw that I had the *Racing Post*. He proceeded to tell me about a horse that will be running at Brighton and why. He told me about this great trainer—I cannot even remember the name now—and why they run horses at Brighton and run them on the flat late and so on. I just sat there in absolute amazement and did not think anything about it but it shows that when someone buys the *Racing Post* people start a conversation.

Last month, Alistair Osborne was quoted in *The Sunday Times* saying:

> "Imagine this. The starting stalls open. Horses thunder down the course. The winning post looms. And then the whole field goes round again. And again. For seven flaming years."

To some extent, that is the situation we are debating and, before anybody gets up to make an intervention, I can tell them that I have been party to going round and round the course—I was probably the ringmaster. My hon. Friend the Minister—my very good friend—unfortunately drew the short straw and had to take the matter on from then.

We are where we are and it is no good looking back. We must look to the future and I predicate a large part of my argument today on a certainty: Labour Governments were elected in the last two elections on the basis of manifestos that referred to the Tote and how the money from the Tote should go into racing. I believe we are committed to that and I hope that the Government, with the support of the House, can see it through.

David Taylor (North-West Leicestershire) (Lab/Co-op): I congratulate my right hon. Friend on securing the debate. The Tote was introduced 80 years ago and was given the monopoly on pool betting on the basis of a guarantee that profits would be ploughed back into racing. Will the former Minister for Sport tell us if, in any of those 80 years, the Tote has taken a penny in subsidy from the British taxpayer? Does he agree that the Tote is inherently profitable and that it should be kept in public ownership to allow it to feed its surpluses back into racing? The problems experienced during the past seven years have been caused by Brussels and Strasbourg vetoing deals that would provide a significant feedback into racing. Is this not all new Labour tosh?

Mr. Caborn: I do not know whether it is new Labour tosh, but I can tell my hon. Friend what new Labour tosh said in its manifesto:

> "We are committed to sell the Tote to a racing trust to allow it to compete commercially, with all long-term profits invested in the sport."

[Mr. Caborn]

That was our commitment and by the time I have finished, I hope we can deliver just that and square the circle for all those with a vested interest.

I do not agree with my hon. Friend the Minister's statement of March 2008, in which he said:

> "The overriding criterion for the Tote's privatisation will be to maximise value for the taxpayer."—[*Official Report*, 5 March 2008; Vol. 472, c. 114WS.]

In my view, it is not the overriding principle because, as I said, we won two elections on the basis of a statement that we would put the money from the Tote into racing. I note that the new chairman of the Tote, Mr. Mike Smith—I have never met him—has a reputation that fully fits the mission of the March 2008 statement. He is not there to deliver what I think is an important part of the Government's commitment—our two manifesto commitments—and we ought to draw some parallels from that.

Let me turn to the future by presenting proposals that I think would satisfy all those who have a vested interest. First, as my hon. Friend the Member for North-West Leicestershire (David Taylor) mentioned, we should deliver our manifesto commitment. We should give the Treasury its money and fulfil the commitment to racing—the 50:50 split on the profits if the Tote is sold in the marketplace. In agreement with my hon. Friend, I think the issue of state aid is bogus, but, nevertheless, I shall mention it.

I hope that my hon. Friend the Member for Wigan (Mr. Turner) will catch your eye, Mr. Hood, because there is an important issue relating to the protection of 600 jobs. It is probably more important to ensure that those jobs are secure but we must also ensure that they can grow in number. The Tote could position itself in the global marketplace to take advantage of what is clearly an expanding market.

How do we do that? First, we decouple the 540 shops of the Tote from the Tote itself. We can then sell them off; Mr. Mike Smith can do what he is good at and take those shops to the marketplace in whole or in part. If we decouple the shops, they can be sold off to the highest bidder and we will get the best return for the taxpayer. Racing should then set up a trust to receive 50 per cent. of the proceeds of the sale of the shops. I not believe that is in conflict with state aid. Why do I say that? Well, as my hon. Friend the Minister knows, we had an agreement with the then Department of Trade and Industry that we had a seven-year period to get the Tote fit for purpose. It should then be put into the marketplace. That was the agreement and I believe that it still stands.

Jeff Ennis (Barnsley, East and Mexborough) (Lab): On the point about the racing trust receiving 50 per cent. from the sale, is my right hon. Friend referring to 50 per cent. gross or net profit from the sale?

Mr. Caborn: Well, to be honest, I do not know how to get a gross and a net figure on that—perhaps my hon. Friend could explain what he means. I understand that the statement made in the House referred to 50 per cent. of the sale. I would have thought that meant gross. I do not know why we would net down the figure—although I think there is a top slice, which I will mention in a moment.

It is important to put the seven years clearly into perspective. It is a transitional period for taking the Tote from where it is now. It was nationalised, but as has been mentioned, it was not run by anybody before that. We had to nationalise it, which we did—I took the Act through Parliament—and it is now being put back into the private sector. We have had seven years in which to get the Tote fit for purpose, so that it can go into the marketplace.

It is important to give the Tote a firm foundation on which to grow—it is in everybody's interests to do that. I will come back to that point. The setting up of the trust and payment of the 50 per cent. gross or net into the trust should carry with it an agreement that the Tote can operate on all race courses in perpetuity. It is important for that statement to be made because it underlines, in part, the security of the Tote itself. The new Tote trust, as I call it, would have responsibility for the pool, the credit line and the internet part of the operation. The shops would go, but those three elements—the pool, the credit line and the internet—would be the business of the new Tote trust.

The trust's board would be composed of the executive directors of the Tote itself, representatives from the Horsemen's Group and the bookmakers and non-execs. The terms of reference would be to consolidate the Tote in the UK and take advantage of the growing international business. Even with the Tote's limited resources and the difficulties of continuing to run it during the uncertainty in which it has been wrapped, there is no doubt that major advances have been made in the international marketplace. For example, the lottery has gone Europe-wide, and the information communications technology that now exists means that there is a fantastic opportunity to grow the Tote. In the UK, we probably have the best regulatory regimes anywhere in the world. People respect that and the integrity of those regulations is revered around the world. That can be used to develop the international Tote, based in Wigan.

The Australians, the French and others, particularly in the far east, are considering such developments, which are highly possible because of the ability to move information electronically in a way that probably was not possible even 10 years ago. The staff of the Tote and the way in which they have operated, particularly in the past three and a half years, in growing the international part of the Tote's business leads me to believe that, given fair investment, which is important, and the ability to build up with certainty a strong Tote UK, it could be the centre for an international operation as well. Taking a proportion of the proceeds from the sale of the shops to invest in the Tote should be part of the agreement, too.

Mr. John Grogan (Selby) (Lab): My right hon. Friend is setting out a very attractive proposal. Does he agree that racing itself is best able to exploit on-course facilities and internet betting and that in any case the private sector is probably most interested in the shops? Does he think that his suggested compromise, as well as attracting a great deal of support from Members on the Government Benches and, we hope, elsewhere in the House, would have attracted the support of the late Robin Cook? He thought deeply about these matters, and I think my right hon. Friend's proposal would have appealed to him.

Mr. Caborn: Very much so. We all reflect on Robin's interest in—indeed, love of—racing. If we wanted to call the new Tote trust anything, we could call it the Cook trust. That would go down extremely well.

To underline the point made by my hon. Friend, the take of the Tote is split 40:40:20. Forty per cent. is on-course, 40 per cent. is off-course and 20 per cent. is international. The international part has probably grown by 4 or 5 per cent. in the past two or three years. The 40 per cent. off-course is important as well. That 40 per cent. comes through the betting shops. They have an interest in ensuring that that part of the business grows, because they receive a 14 per cent. return, with little risk attached, so it is a good deal for them. It is important that we ensure that the various components—the betting industry, the sport of horse racing itself and the Tote—are brought together on the executive board of the new Tote trust.

That proposal gives us an opportunity to consider the issue further. One thing that has bedevilled the industry is the question of the levy. There are those who have been trying to get shot of the levy—most people say that it would be right to get shot of the levy. The levy was brought into being to protect on-course bookmakers when off-course betting started, which was some years ago. Unfortunately, these things evolve over time and are used for totally different purposes from those for which they were originally set up. That may be right or wrong. I do not know. I am not giving a view on that, but I believe that it is necessary to take the Government out of this area of sport. If the opportunity arises to do that, we should take it.

Racing has evolved in the recent past and the sport now has a fairly good regulatory arm, through the British Horseracing Authority, which has brought in the Jockey Club and so on. The BHA is the regulatory part. We now want to build a financial vehicle to be able to continue to fund the sport in the medium to long term. What are the two incomes for the sport? One is the levy and the other is the profits from the Tote. It is a not-for-profit organisation; the profits go back into racing.

Why not put the levy board into the new Tote trust so that the new Tote trust is the body that becomes the financial vehicle for the sport? It will have two income streams: one is the Tote, which it will be running, and the other is the levy, which could be taken over. At the end of the day, it is a levy on bookmakers to pay money into the sport. The new Tote trust could be charged with determining, collecting and disbursing the levy on a non-statutory basis.

The question that has been asked for God knows how many years is what happens when people cannot reach a determination. I suggest that we could set up an arbitration mechanism within the arrangement that I have described. It would be fairly simple to bring in something like the Copyright Tribunal, which would involve the great and the good who had no vested interest in racing. If the sport and the industry could not come to an agreement, a mechanism could be brought into play to achieve it. That would get rid of bureaucracy. Two bodies would be brought into one. The whole structure of racing would be simplified by having on the one hand a regulatory body—the BHA—and on the other the financial arm, developing the Tote and collecting the levy. With the new Tote trust, we would have on the stage all the main actors with a vested interest in ensuring that the system works. If the trust could not collectively do that, it would refer the issue to a mechanism like the Copyright Tribunal.

Conservative Members are good at getting shot of red tape. They want to ensure that they streamline everything, and I am absolutely with them on that, so they should seriously consider what I am saying, which is that such arbitration is possible. We would simply have regulation on the one hand and financial streams on the other. If we really want to make progress and make horse racing a fit-for-purpose sport, with fit-for-purpose governance and a fit-for-purpose stream of financial input to the sport, it would make a lot of sense to follow the route that I have described.

How does that proposal relate to the original proposition? I believe that it gives the Treasury the money it wants—50 per cent., which is what the Treasury has been saying it wants in terms of the sale of the Tote. The shops are the asset, and the Treasury can have its take from that. Then there is the 50 per cent. going to racing. Racing would have not only the moneys from that, but an ongoing revenue stream from the profits of the Tote. The proposal secures the existing jobs and, indeed, lays the foundation for more jobs in Wigan than the 600 that are there already. It brings in the bookies, who would have an enlightened self-interest in ensuring that the activity levels of the Tote increased, because 40 per cent. is already going through their outlets, on which they get a 14 per cent. yield that is pretty much risk-free. The Government gain by the Tote being taken to the marketplace, as it would be in seven years. It ends the statutory levy, which the Government, including the Minister and his colleagues at the Treasury, want. Importantly, it delivers the manifesto commitment as well.

What is the timetable for implementation? It could take place very quickly. There is no reason why we cannot decouple the shops from the Tote pool and give the responsibility for selling them to Mr. Mike Smith. He could take them to the marketplace as and when he believed it was the right time to do so. That leaves the pool and racing to come together in a small working group, which should report back before the end of the year. Both the operation of the Tote and the levy should be determined before the 48th levy, which will be in 2009. The proposal could become operational on 1 January 2009.

The Parliamentary Under-Secretary of State for Culture, Media and Sport (Mr. Gerry Sutcliffe): Does my right hon. Friend not think that there are some issues in racing—for instance, the current court case in relation to Turf TV—that might affect his time scale?

Mr. Caborn: That is true, but I believe that aspects of the problems with Turf TV and other issues are symptoms, not the cause. We have to deal with the cause. In the new Tote trust, we will have three actors on the stage who make determinations in terms of data and pictures and the operation of such things. That would take place outside the arena of the courts. Under the arrangements I am proposing, I hope that the problems will wither on

[Mr. Caborn]

the vine, because it would be a case of enlightened self-interest for all three parties—the bookies, the Tote and the sport itself, which will be growing a product, with all the profits going back into racing. It would, therefore, be in everyone's enlightened self-interest to grow it in the UK—nationally—but also to create a base for it to be delivered internationally. I believe the current problems are a product of the uncertainty in racing and, I am bound to say, the vested interests and to some extent the bunker mentality of some in the sport of racing.

Mr. Alan Meale (Mansfield) (Lab): I declare my interest in the Tote, Mr. Hood. I am not connected with its finances, but I have an interest in racing and the sport of racing.

The Minister made the valid point that outstanding matters may still affect the levy. Perhaps my right hon. Friend should reflect on the present state of the financial markets. If we include other outstanding elements such as the ongoing legal battle about Turf TV, it might be better for the sale of the Tote to be set aside for a given period to allow those matters to settle down and the markets to recover. If 50 per cent. of the sale price is to go to racing, the amount might be higher than could be extracted at present.

Mr. Caborn: That is absolutely right, but I can tell my hon. Friend that in my view the status quo is not an option. If we are not careful, we will lose—indeed, we are losing—some of our best people in Wigan. If we are to take advantage of the international marketplace, we must do so now. The worst thing in business is uncertainty and we have massive uncertainty in Wigan. The Tote is a very good product, and it has proved itself time and again. It has definitely proved itself in the international marketplace.

From my discussions with people outside the UK, I believe that they would look to the UK to run the international Tote. We cannot leave things in the status quo position. We have to take decisive action. We can do one of two things. We can do what I suggest and flog the shops and set up the Tote; or we can make a clear statement that nothing will happen for X number of years. We cannot leave the Tote in its current position. The Tote is haemorrhaging, which is undermining it. At the end of the day, it will wither on the vine.

I am as much to blame as anyone for what has happened, but not wholly so. Neelie Kroes of the European Commission was involved as a result of a challenge raised in Europe. The situation is also a result of our not being more constructive in trying to find a solution, so I take part of the blame. However, I have spoken to a lot of people over the last week or so, and I honestly believe that there is a will to move forward, and that everyone agrees with the basic formula, which includes decoupling the shops.

Mr. Meale: May I point out that instability is to be found everywhere in the high street and in business at present? Yes, it is true that advantage might be taken of certain financial situations, but I ask my right hon. Friend to consider the fact that the instability in Wigan may be caused by such outside factors. The threat to people who work there is that their jobs may be sold off. They might not be best served by participating in a fire sale, which would result in less money coming back into the Tote, of which 50 per cent. could be redistributed into a racing trust. Now might not be the right time to do it. As the Minister suggests, a little delay might be helpful.

Mr. Caborn: I obviously have not explained myself clearly. We should put the shops into the for sale category and put Mr. Mike Smith in charge, as he is extremely skilled in taking such things to the marketplace. If his judgment is that we should not sell, we should not sell. However, that should not preclude us from decoupling the rest of the Tote from the sale.

We can put the shops into a package and ask Mr. Smith to sell them when he thinks it right. That might be in 12 months, 18 months or whenever, but the only reality is that 50 per cent. of the profit will go into a racing trust at some stage. We can take the decision to decouple now, leaving the shops where they are if that is the judgment of the experts in the marketplace, which I am not. If they say, "Do not sell," we should not sell.

We should keep the present arrangements until those people decide that it is time to sell, but that should not preclude us from setting up the Tote, the credit line and the internet parts. That will stop the haemorrhaging, so we will be able to start building the Tote nationally, and we will be able to take advantage internationally, which is most important. The two are not mutually exclusive. We should set the shops apart, leaving them and not flogging them until they can achieve the best market return. It is for others to decide when that is; it will not be my judgment. However, it will bring stability back to the Tote.

I predicate my argument on the basis that we should live up to commitments given in two manifestos. I do so because when I go to church club on a Sunday night I know that the people I represent believe that the Tote is an institution that should be kept within betting. It is the right product for the betting arena. It gives more competition, but it is a type of betting where people bet against themselves, because after a cut their return is the total pool.

Mr. Laurence Robertson (Tewkesbury) (Con): The shops are the more profitable part of the Tote. If they are sold to someone not connected with racing, how can we guarantee an ongoing income from them? The money from the Government will be a one-off. The Tote cannot live off that. The right hon. Gentleman may suggest that a further Tote business could be set up, but I cannot see that idea getting past Europe.

Mr. Caborn: I can see why it would not get past Europe. I shall be honest about this hang-up over Europe. I think that a number of people hide behind Europe—their definition is that state aid distorts trade across international boundaries. Someone is saying that a Tote sold back to racing in this country will distort trade across Europe, but that is the biggest load of baloney I have ever heard. Civil servants and those in the Treasury want to duck and dive all the time. I have been on the inside track so I know what they are talking about. People are using Europe to fulfil their own objectives and blaming others.

I have spoken to Neelie Kroes at length on the subject, and I believe that if the Commission could get shot of Tote UK it would do so. By no definition can the Tote distort trade over international boundaries. Let us put that on one side, and say that if we want to deal with Europe we can do so.

Mr. Ian McCartney (Makerfield) (Lab): Like my right hon. Friend, I am a former Minister of Trade. Some of the companies that may want to bid for the Tote already have huge holdings in the European Community. There is an issue about the marketplace. Although my right hon. Friend is not being cavalier in his comments—he is his usual stylish self when it comes to promoting his case—we need to step back and sort out the competition issues. Increasingly, bids for any part of the Tote will attract international attention. The industry is becoming global in all aspects 24/7. That will result in more issues to do with competition. Whatever happens, we should ensure that such competition is fair for the consumer but that it also maintains resources in the constituency of my hon. Friend the Member for Wigan (Mr. Turner) and in mine, as 640 jobs are stake if we get it wrong.

Mr. Caborn: I agree. I have been accused from time to time of being a bit cavalier, but first I want to answer the point raised by the hon. Member for Tewkesbury (Mr. Robertson).

The Tote has 540 shops, and 40 per cent. of its takings come from them. I do not know the exact figure, but those takings are a 10th of its total takings. The sale will not materially affect access to the Tote, because that will be available through other betting shops. We have an agreement that we will take the Tote to the marketplace within seven years. That is what we said. It is a transitional period that we negotiated with the then DTI.

In terms of competition policy, the European Union has on many occasions allowed transitional periods for organisations, and indeed countries, to allow them to become fit for purpose. The mechanism is not unusual in the European Community, as every country that recently came into the Community was given transitional arrangements to allow them to become fit for purpose before fully entering the marketplace. We have argued for that principle and I accept it—it is accepted by the Commission anyway. The organisation will be part of the open competition process within seven years, once it is fit for purpose.

Mr. Meale: On the point about giving various countries' transitional arrangements, would my right hon. Friend care to speculate on the situation in France, which was one of the founding members of the European Union and whose transitional arrangements, unlike the UK's Tote arrangements, seem to be going on for ever, ad infinitum?

Mr. Caborn: That is where one can hit the European Union. The European Union has no responsibility at all for gambling. It tried to bring gambling under its influence during recent discussions on the services directive, but had to take it out for all sorts of reasons. I will not describe them now, because they are not particularly germane to the argument, other than to say that gambling is not part of the European Union's remit and that it does not have the power to bring gambling under its remit. Gambling, however, is brought under that remit in so far as it relates to competition.

France has not tried to alter its Tote, so the reality is that the status quo prevails. If we want to keep the Tote nationalised and to be able to do what we want with it, the European Community will do nothing about that. It is only when we start changing the Tote that the EU will have a say on how it is changed. Otherwise, the status quo can and will prevail, and the Tote will continue to run as it does now. It is a nationalised organisation, fully funded by the state.

The Tote is in a peculiar situation, but for the sake of the discussion I will respond on the issue of state aid, although I think it is a bogus argument. There would be a seven-year transitional period, and that would take the Tote into the marketplace once it was fit for purpose. In addition, the long-term profits of part of the Tote fund sport, which should be able to be funded and not brought under competition rules anyway. As part of the Nice protocol in 2000, the Heads of Government declared that sport should be defined separately from other commercial operations.

What am I proposing this morning? I am saying that the status quo is not an option for the Tote, because it is haemorrhaging and we are losing good staff. Although it is important to get good returns for the taxpayer, it is highly debatable whether the Tote is actually an asset of the taxpayer. No one owned the Tote and it became a taxpayer concern only once we nationalised it. We paid nothing for it, so I do not know how the Treasury can sometimes argue that it belongs to the taxpayer. *[Interruption.]* The hon. Member for Tewkesbury is laughing. I was the one who brought the Tote into public ownership, but we now need to look at how we can develop it in the interests of racing, the UK and the punter.

As I have said, under my proposals, the Treasury would get its deal, and I have answered the issue on state aid. Racing would get a good income stream, both in the short and medium term, and we could continue to build jobs. I believe that, if we want to, we can resolve the issue of the levy and bring it into the new Tote trust. That would give clear funding streams for sport on the one hand, with good governance by the BHA on the other. I think that the sport would be fit for purpose. Considering that the UK horse racing sport and industry is revered around the world, there would be a major step forward, and I hope that the proposal will be taken seriously and that we can collectively put it together and deliver for sport.

11.34 pm

Mr. Laurence Robertson (Tewkesbury) (Con): May I congratulate the right hon. Member for Sheffield, Central (Mr. Caborn) on securing this most timely and important debate? Racing is certainly at a crossroads, particularly with regard to funding. I agree with his points on Europe and will return to that issue in a few minutes.

I should point out that I have the honour of representing the Cheltenham race course, although I also value the contributions made by smaller race courses. My involvement in racing is at the lowest level, at the point-to-point and hunter chase level, but I want to point out that the Tote is extremely important to the Cheltenham race course and the surrounding area in my constituency. The festival each March brings millions of pounds into the area, much of it from Ireland. An important point is that the

[Mr. Laurence Robertson]

Tote Cheltenham gold cup—now called the Totesport Cheltenham gold cup—has been running for many years and is one of the world's leading steeplechases, if not the greatest.

The Tote also provides a great deal of prize money and sponsorship for many other races, not only at Cheltenham, but throughout the country. The Tote's contribution to racing, excluding its levy payments, was £11.3 million last year. If we include the levy payments, its contribution was £20 million last year. The most up-to-date figures are being laid before Parliament today. I do not know what they are, but my guess is that they will show a considerable improvement on what is already a good record for the Tote's contribution to racing.

The Tote is the largest commercial sponsor of racing by a considerable margin: it sponsored 442 races last year and delivered 42 per cent. of the total prize money on offer through the sport. While we often hear that racing is the sport of kings, it is important to point out that the reality is different. Although royalty are involved in racing and make a welcome contribution, on many occasions the money for a race is as little as £2,000. Given the cost of looking after horses, particularly with the current cost of feeding and transportation, prize money is important. The Tote also provides many other services. There are many betting shops, services on race courses and special low-cost bets that are attractive. The Tote is a national institution, so if it were lost, not only would racing lose out financially, but the racegoers would suffer.

As has been said, the Tote was set up 80 years ago to benefit racing. As has also been pointed out, no Government have ever put any money into racing, so the taxpayer is not due any money from a sale or transfer of the Tote. When the then Home Secretary, the present Secretary of State for Justice and Lord Chancellor, originally announced his intention to transfer or sell the Tote, a figure of £50 million was mentioned. Some people, myself included, said that that was too much and that the taxpayer was due no return at all for the Tote because no taxpayer ever put any money into it.

The original decision to transfer or sell the Tote was welcomed, but no one could have envisaged that it would take so long to get from there to where we are now, wherever that might be. During a debate on 21 November 2007, after Europe stepped into the debate—I shall return to that point later—I called for the Government to allow an extra two or three months at least for the Tote to come to terms with the European judgment and look at its future options. Those two or three months were granted by the Government, but that is a short delay for coming to terms with the situation. It is a rather different situation from the 10-year delay that we have experienced.

David Taylor: The Conservative Government in the 1980s were quick to justify their privatisation mania on the basis that they were sometimes getting rid of inefficient, loss-making state enterprises. The hon. Gentleman portrays the Tote as never having been such an enterprise over an 80-year period. He was one of the more enthusiastic privatisers, although not in this place at the time, so does he believe that the sale of the Tote makes any sense whatever for the taxpayer, the racegoer or anyone else involved in the imbroglio?

Mr. Robertson: I was outside this place at the time, but I certainly supported turning British Steel's £1.5 million a day loss into profit. I continue to support that kind of thing, but the Tote is a different situation altogether. It was set up for racing. The right hon. Member for Sheffield, Central, made the case that it is not so much a business as part of a sport, and I shall advance that argument in a moment.

As I was saying, we have had a 10-year delay. In a previous debate initiated by Mr. Richard Page, then the Member for South-West Hertfordshire, I urged that the process be completed. The then Minister, who is now the Minister for Pensions Reform, rebuked me by saying:

> "Although the hon. Member for Tewkesbury thinks that the process has taken a long time, it has not taken longer than we planned."—[*Official Report, Westminster Hall*, 19 January 2000; Vol. 342, c. 219WH.]

Those words were spoken on 19 January 2000, eight and a half years ago. We were being rebuked for trying to press the matter on. As we have heard, the result of the delay is that the staff at Wigan, whose jobs I believe should be protected, are unsettled, senior members of the Tote have been lost and it is very difficult for the Tote to recruit people. That has had a destabilising effect on it and can hardly be helping its finances. Importantly, it cannot be helping to enhance its value if it is to be sold commercially.

At the risk of embarrassing the right hon. Member for Sheffield, Central, who has admitted his culpability in the process to a degree, I add that when the Horserace Betting and Olympic Lottery Bill was introduced in 2004, it was extraordinary that its very purpose, the sale or transfer of the Tote, was not mentioned in it. The only thing that was included in the Bill was the nationalisation of the Tote, as a number of us pointed out at the time. It was stated outside the House that the purpose was to transfer the Tote to the new trust, which was set up under the chairmanship of Lord Lipsey, but that was not stated in the Bill.

The late Robin Cook, who took an active role in racing, said in the debate on the 2004 Act:

> "For the avoidance of doubt, will my right hon. Friend"—

the right hon. Member for Sheffield, Central, who was then the Minister—

> "confirm that it is the Government's clear intention to sell the Tote to the racing trust, and that there is no reason at the moment why that should not happen?"

The right hon. Gentleman replied:

> "I can give my right hon. Friend that confirmation… I see no reason why the sale of the Tote to the racing trust should not go ahead".

Rather ominously, he continued,

> "but it would be wrong if the Government did not make provision for other eventualities."

That concerned me deeply, and I said that

> "the Bill does not guarantee that the Tote will be sold to the racing trust. The Minister says that he cannot foresee any circumstances in which that would not happen, but one factor that might prevent such a sale would be if the Government asked for too much money."—[*Official Report*, 8 January 2004; Vol. 416, c.442-43.]

Later in the debate, I asked:

> "What guarantee do we have that it will not just be sold to the highest bidder? What guarantee do we have that the Government's finances at that time, which are deteriorating, will not dictate that the Tote is sold to the highest bidder?"—[*Official Report*, 8 January 2004; Vol. 416, c.482.]

I claim no particular insider foresight because I got it spot on, but the Tote is now to be sold to the highest bidder, which concerns me for a number of reasons.

Mr. Caborn: The hon. Gentleman is absolutely right, but may I guide him by saying that the use of the term "fair price" in the 2004 Act, instead of "market price", was where the whole thing fell down with Europe? We tried to defend the word "fair" as against "market", but Europe believed that that meant that we were giving a subsidy. Rightly or wrongly, that was the argument.

We had a long debate with the EU about whether the price should be a fair price or a market price, and it demanded that it be a market price because of the distortion of trade. Whether we accept it or not, that was its argument. That was what Neelie Kroes, the Commissioner, insisted on, which was why we got into the long discussion about what the market price was. We paid millions to have assessments made by accountants' firms, and we found ourselves in difficulty. The process fundamentally broke down at the European Union at that time, and others hid behind that later on.

Mr. Robertson: I agree with the right hon. Gentleman, and I shall return to Europe in a moment, but I am aware that time is pressing on.

I am concerned about the open-market sale, first because that was not what we agreed to when we passed the 2004 Act. Secondly, as I asked the right hon. Gentleman in an intervention, if there is a open-market sale, how can we ensure that racing continues to get the same amount of money from the Tote after the process is finished?

We have heard a great deal about the 50-50 split, with 50 per cent. going back into racing, but that poses questions. First, what is racing? Secondly, would it get through Europe? The right hon. Gentleman says that it should—not that it would—but the previous proposal should have, too. Important though the money from the sale would be, it would be much less than if the sale had taken place last year, because of the market conditions. Also, it would be a one-off payment. The important thing is the Tote's year-on-year contribution to racing. If I highlight any point that I am making, it is that.

We find ourselves in a difficult situation. We all know that Europe intervened, as we have discussed, and it is my submission that the European judgment was wrong. That is the view of the all-party group on the racing and bloodstock industries, which is very active. For example, the EU referred to the Tote as a "public company", but it is a public company only because the Government nationalised it. It stated that a transfer below market value would constitute aid, but who exactly would it aid? The company is already up and running, and has been for 80 years. The proposal was not to transfer the Tote to another company, which probably would have constituted state aid, but a simple administrative change whereby the Tote could, for example, have appointed its own chairman. That is not state aid.

The EU went on to state that such a transfer or sale would "distort the betting market". I am not sure how many bureaucrats in Europe actually go into betting shops or place bets, but that is simply nonsense. The organisation has been taking bets for 80 years. If the Tote, instead of the Minister, appointed its chairman, how would that distort the betting market? It is palpable nonsense, so the Government should challenge that ruling.

I am romantic in that I want the Tote to be transferred to the racing trust and believe that that can be achieved. I do not agree entirely with the right hon. Gentleman's analysis of how it should be done, but I agree in principle that that should be achieved. We are at a crossroads in the financing of racing, and it would be a huge boost to racing if it could run a successful business that continued to put money back into racing. However, I fear that the Minister, whom I greatly admire and consider a friend, is not quite powerful enough to overcome the Treasury's demands. I do not know whether racing or the Treasury will benefit from those demands.

A couple of Fridays ago, we had about 145 people at a charity dinner in the House for the Injured Jockeys Fund. In one night, we raised more than £50,000. It was a fantastic night and brought together the warring factions of racing for once. There is an appetite for moving forward together, and I hope that the Treasury does not prevent us from doing that.

Several hon. Members *rose*—

Mr. Jim Hood (in the Chair): Order. May I point out to hon. Members that I have a few speakers to call? If they can be brief, I am sure we will manage to get everybody in. If there are interventions, perhaps they can be shorter than they have been hitherto.

11.48 am

Mr. Neil Turner (Wigan) (Lab): I congratulate my right hon. Friend the Member for Sheffield, Central (Mr. Caborn) on securing this important and timely debate. I thank him and his successor, the current Minister, for keeping myself and my right hon. Friend the Member for Makerfield (Mr. McCartney) up to date with all the twists and turns in the saga. They have done that well both formally and informally, which has helped both of us greatly.

My interest in the Tote is unashamedly one-dimensional. I have only a passing interest in racing, which is not a sport that particularly attracts me. My interest is the fact that the Tote's headquarters are in my constituency. Its financial headquarters are in my right hon. Friend's constituency. The Tote came to Wigan some 20 years ago. It was not an easy shift. It is never easy prising southerners out of Harrods and sorting them out with woad and whippets, but we managed to get them up there and they work well with the local authority. The local authority felt that it was so important to the local economy to get the Tote to come to Wigan that it evicted members of its staff from their offices to put Tote staff in there, and make it a success. The fact that the Tote is still in Wigan, and is a success, proves that that was right.

We have some 600 employees in Wigan. Working relationships are extremely good, with the management, trade unions and work force working well together. That is not only because the Tote a good employer, but the nature of the work is flexible as to the times when people work; mothers can work around school times, and so on. That makes the Tote a valuable employer in the Wigan economy.

[Mr. Neil Turner]

A few years ago we managed to get the rest of the Tote to come to Wigan—the senior staff. They are very important to the Wigan local economy, which like many local economies in the country is in transition, from heavy industry—the steel, mining, cotton and textiles on which it used to be based—to a more modern, service industry-based economy. Getting the staff headquarters to come to Wigan was very important. We had last-minute planning difficulties and again the council evicted some staff to move the Tote into their offices. That is more proof of the importance of the Tote to the local economy, and the council's view of it.

My hon. Friend the Member for Mansfield (Mr. Meale) was profoundly wrong when he implied that the matter could be left over. It is very important to get a resolution now. I have learned from discussions with the Tote that senior management are already being lost, and in a service industry of this kind it is not infrastructure such as buildings that is the most important thing—it is senior management, and the way they run the organisation. When they are lost, not only does the value of the Tote go down, but the value of whatever sale is made will go down too. It is not just that we need to take account of something in the outside market; it is also a question of the nature of the industry. If it loses its senior management it will lose market value as well.

The Minister and his predecessor have been pressing strongly on the future of the Tote. The leader of Wigan council, my noble Friend Lord Smith of Leigh, my right hon. Friend the Member for Makerfield and I want a resolution in the interest of our constituents who work in Wigan. We have a meeting tomorrow at the highest level—with the Prime Minister. Our one aim will be to impress on him the need to ensure that whatever resolution is reached, it is decided on swiftly, with a guarantee for a number of years that the headquarters of the Tote and its successor will be in Wigan. We are confident that if that guarantee is given, for four, five or seven years, or whatever it may be, the successor will find that Wigan is such a good place for its headquarters that it will stay there and take the opportunities in the international betting field that my right hon. Friend the Member for Sheffield, Central outlined, so that they can not only maintain job opportunities but expand them, and make Wigan a centre for the betting industry nationally and internationally. That is what we will be pressing for, and that is why it is so important and timely that we have had the debate, and that we reach a resolution as quickly as possible.

Mr. Jim Hood (in the Chair): Order. Before I call the next speaker I want to point out that I want the summing-up speeches to begin at 12, so the last Back Bencher that I shall call is Mr. Ennis.

11.54 am

Jeff Ennis (Barnsley, East and Mexborough) (Lab): Thank you, Mr. Hood, for calling me in this important debate. It is always a great pleasure to follow my right hon. Friend the Member for Sheffield, Central (Mr. Caborn), and I think that the hon. Member for Tewkesbury (Mr. Robertson) and my hon. Friend the Member for Wigan (Mr. Turner) were singing from the same song sheet. I make my remarks not as a new Labour "toshite" but as chairman of the all-party group on racing and bloodstock industries.

I do not want to repeat what has already been said, but a few historical points that have not yet been made fully need to come out. The onward sale of the Tote has been an issue for some time. In fact, it was the Select Committee on Home Affairs, which also brought about the formation of the British Horseracing Board, the forerunner of the British Horseracing Authority, that in 1991 recommended that the Tote should be passed to racing for free. The points that I am making are to underline and support the model put forward by my right hon. Friend the Member for Sheffield, Central.

In 2001 the Labour party manifesto said:

> "We are committed to sell the Tote to a racing trust to allow it to compete commercially, with all long-term profits invested in the sport."

The Tote is making a £20 million-a-year contribution and we would like it to continue in perpetuity, as it were. In 2005, after the European ruling, the Labour party manifesto said:

> "Having now passed the necessary legislation"—

to bring the Tote under public ownership, as the hon. Member for Tewkesbury has said—

> "we remain committed to completing the sale of the Tote to a racing trust."

Throughout the process with the changing conditions and environment, racing has been committed to helping the Government achieve their objective. However, it has also been made clear that any potential buyer will need to work closely with racing. The Government should pay tribute to the racing industry for its contribution to taking the issue forward. I know that we do not seem to have had much success so far, but we can only keep trying. As co-chair of the all-party group on racing and bloodstock industries I commend the Minister for asking us to get actively involved in many of the outstanding issues in racing, which include the onward sale of the Tote and the levy. It is important that we ask the Government to continue with the granting of the seven-year exclusive licence for the so-called transition period, to which my right hon. Friend the Member for Sheffield, Central referred. That must be part and parcel of the sale.

[Mr. Roger Gale *in the Chair*]

One implication that has not been mentioned so far, and another current problem affecting revenue streams into racing, is the number of offshore operators in the betting market. I am not just referring to the Tote but to other betting forms, exchanges and operators. I would like the Minister to try to give some assurance that any eventual purchaser of the Tote could not relocate its remote operations—call centre and internet operations—offshore. I should certainly like clarification of that, because it is a significant weakness of the sport's current funding arrangements that several companies are licensed overseas. There are operators in the Isle of Man, Gibraltar, Ireland, Malta and so on, who pay no levy and no tax to racing. We do not want to lose another whole income stream for racing and the Government.

I intervened on my right hon. Friend the Member for Sheffield, Central about the onward 50 per cent. that will come to racing, hopefully, as quickly as possible, if the sale proceeds. There is some doubt; the difference between the gross and the net, of course, is in issues such as accounting for pensions deficits, the Government's professional fees, and all such money that might be sliced off instead of giving the 50 per cent. gross amount of the sale to racing. I would like the Minister to comment on that.

What we might call the Dick Caborn or Cook model for the future onward sale of the Tote is a seductive and attractive option. I am attracted to it because I do not think that the Government should be committed to selling the Tote to racing. Decoupling the property estate of 540 shops—setting up a racing trust just for pool betting and selling off the betting shops—sounds attractive in theory, but I have my doubts about the value in practice of selling on the Tote pool or setting up a racing trust.

It would be difficult to get all the race courses to agree to continue having the Tote. The on-course Tote pool is attractive at Cheltenham or Doncaster St. Leger, my local track, but it is not so attractive on a wet Monday afternoon at Great Leighs or Southwell. We can all come up with examples. I have some doubts. If racing cannot come up with a price for the whole estate, why can we not consider splitting the 540 shops? Perhaps 270 could be contained within the racing trust and the Tote, and the other 270 could be sold to the highest bidder. I have some doubts, although in theory I would like to support that proposal.

The other issue was combination, another attractive proposal to link the levy to the new Tote and bring in an arbitration mechanism similar to that used by the Copyright Tribunal. That is an attractive option as well, and I would certainly like to hear the Minister's comments on that model. My right hon. Friend the Member for Sheffield, Central said that, hopefully, it could become operational by 1 January 2009.

On the current credit crunch, the all-party group on racing and bloodstock industries held its annual dinner last night. The chairman of the British Horseracing Authority, Paul Roy, is an expert in the City; he makes his money doing deals on the stock exchange and so on. He said—I will use his exact expression, because I made a note of it—that the current valuation of the Tote was "shot to pieces". Earlier this year, it was £400 million or £500 million. It started from a baseline of £50 million, as the hon. Member for Tewkesbury said earlier. That is a difficult issue to get around, and I do not know the answer to it.

Mr. Caborn: May I help my hon. Friend? The answer is to take the shops and put them into a package. Mike Smith—another experienced City person—or a group would then judge when it should be put into the marketplace. Then we could let the Tote get on with restructuring itself and attacking the international marketplace. There are two separate issues. The principal decision to be taken is whether to decouple the shops from the Tote. When I say the Tote, I mean the pool, the credit and the internet. The Tote could then be split off, and we could say, "Mr. Smith, you will deal with that and get the possible price when you believe that to be right." We should get on with the Tote. The status quo is not an option, because we are haemorrhaging at the Tote. It must be given a new lease on life. That is what separates the two. When to flog them on the marketplace is a judgment for Mr. Smith when he believes that the market is right.

Mr. Roger Gale (in the Chair): Order. That is not an intervention; it is a speech. Moreover, if hon. Members wish to hear the Minister respond, I must remind them that this is a time-limited debate.

Jeff Ennis: I am trying to draw my remarks to a close, Mr. Gale. I thank my right hon. Friend for his intervention and his clarification of the model that he suggested. I hope that the Minister will respond specifically to it in summing up.

I have not underlined the significance of the Tote to the local economy in Wigan. I speak as a former leader of Barnsley, which is in the same group of authorities and is similar in size to Wigan, another white working-class area. Barnsley is on the wrong side of the Pennines, but apart from that, it has many characteristics in common with Wigan. As a former leader of Barnsley, I would hate to lose a big company like that with an international reputation. I hope that that aspect will be uppermost in the Minister's deliberations if and when he comes to a decision.

I will finish on a couple of points that were raised earlier. The Minister mentioned the outstanding Turf TV case. I understand that the jury will deliberate on 31 July. I am sure that appeals will be made, which will drag out the case. It is probably a commercially sensitive situation, what with Goldman Sachs' involvement. Can he outline how many bids have been received and how many of those he feels are positive bids that ought to be considered rather than dismissed? How many are serious bids? One point on which I disagreed with the hon. Member for Tewkesbury involved referring the matter back to Europe. It took two years to bottom it the last time it was referred to Europe, and I can see it dragging out for a further two years. That is the last thing that the people of Wigan want. I will leave it there. The issue is important to the House, but it is particularly important to the people who work in Wigan.

12.6 pm

Tom Brake (Carshalton and Wallington) (LD): I shall keep my remarks brief in order to allow the Minister to respond, hopefully in some detail. It has been clear from today's very welcome debate that some hon. Members here are much more familiar with the history of the Tote than I am. The right hon. Member for Sheffield, Central (Mr. Caborn) has played a central role in the painful, extended labour that is the debate about where the Tote will ultimately end up. I have never bought a copy of the *Racing Post*, although I confess to being an occasional purchaser of *The Guardian*; obviously, I need to change my purchasing habits, or I will not have access to insider tips about which horse to bet on at which race course.

The Tote is a large employer, as a number of Members have made clear. The hon. Member for Wigan (Mr. Turner) made a naked pitch for jobs—as good constituency Members, we all understand that he should—and the hon. Member for Barnsley, East and Mexborough (Jeff Ennis) made a strong point, which had not been debated until he raised it, about offshore betting and how it affects the industry as a whole.

[Tom Brake]

The Tote is a large employer, with 4,000 employees. Members have referred to its 450 shops, or 540—I am not quite sure what the number is—and its large presence throughout the country. It has significant employment implications. The Tote, along with the levy, makes a substantial contribution to the industry, so we need to resolve the issue. The policy has had a long gestation period; Members will have seen the time line helpfully provided by the British Horseracing Authority, which did not go back in any detail to 1928, when the original Act of Parliament was passed, but concentrated on more recent years, including the announcement in March 2000 of the intention to sell the Tote to a racing trust and two separate manifesto commitments that it would be appropriate for the Government to uphold.

My final comments relate to the points made by the right hon. Member for Sheffield, Central, who introduced the debate. He described clearly where we need to go from here: delivering on the manifesto commitment, which is a responsibility for the Minister to pick up; delivering for the Treasury, which is clearly seeking something out of the sale; delivering for racing, most importantly, and ensuring that the industry continues to receive the support that it needs; ensuring as far as possible that jobs are secure; and allowing the Tote to grow and take advantage of the many technological developments emerging with the internet and so on, to allow it to extend to other markets and ensure its long-term survivability.

The right hon. Member made an interesting proposal about decoupling the Tote shops from the Tote. Other Members have rightly questioned the timing of that, in relation to where the market is nationally and internationally, and questioned whether now is the best time to secure the best possible value. I shall listen carefully to the Minister's response to see how he intends to address that issue.

I think that the right hon. Member for Sheffield, Central said that the racehorses have been going around the course for the past seven years. I hope that the Minister can reassure us that they will not be going around it for another seven years.

12.10 pm

Mr. Tobias Ellwood (Bournemouth, East) (Con): It is a pleasure to participate in this important debate, and I congratulate the right hon. Member for Sheffield, Central (Mr. Caborn) on bringing it to Westminster Hall, although I was a little surprised when I saw that it was he who was presenting the debate, given his past ministerial involvement. However, I was pleased with the manner in which he presented his ideas.

When such subjects arise, there is a tendency simply to pluck out an old speech, change the words around a little and reiterate the same points. It would be easy to do that today, so I am pleased that some ideas have been put forward which, hopefully, will push the wheels along. There has so far been a lack of change. It has been educational to learn a new phrase, "new Labour tosh", which I had not come across before. I am sure it will join the Government's lexicon.

Mr. Ian McCartney: What about "Tory toff"?

Mr. Ellwood: I do not want to cause even more division among Labour Members.

I pay tribute to the horse racing fraternity. The one thing that unites us on both sides of the House is the importance of horse racing to British industry. We can be rightly proud of horse racing in the UK. We now have 60 race courses employing more than 88,000 people, and about 9,000 races a year. I understand that about £10 billion is bet through off-course bookmakers, and a study by Deloitte last year suggested that it contributes well over £3 billion to the economy—a significant sum of money.

In a previous debate in this Chamber, my hon. Friend the Member for East Devon (Mr. Swire) suggested that it sometimes seems that there are as many bodies representing different parts of racing as there are races. I am sure that the Minister will agree that a little consolidation would be a small step in helping us to move forward. Sadly, however, on the matter before us there have been too many headlines on the front pages of our newspapers, not least in the *Racing Post*, rather than on the back pages. It is grabbing the news for the wrong reasons, which is the background to today's debate.

Three outstanding issues hover over the industry. The first, which has been mentioned, is the resolution of the levy—the annual lump sum agreed by the levy board and paid by the bookmakers to horse racing. The second issue is the on-course bookmakers dispute, their legal status and the charge that they pay to a race course, which has been thrown into disarray by drafting errors in the Gambling Act 2005. The third issue is the subject of today's debate—the future of the Tote itself, which was first mooted back in 1999, but still rumbles on.

I pay tribute to hon. Members who have commented today. All spoke with passion, not least my hon. Friend the Member for Tewkesbury (Mr. Robertson), who illustrated the Tote's importance to Cheltenham and the value that it brings not only to that race course, but to others around the country. I pay tribute to the all-party group on racing and bloodstock industries, which provides a wealth of experience. However, I find it bizarre that the Government, who are tasked to solve such problems, have handed over responsibility to a parliamentary group that does not have the clerical support or the finances to answer the questions. I wonder whether the Culture, Media and Sport Committee might have been a better source of scrutiny.

The battle scars of this saga are well documented, and they have been mentioned again today. The matter was first raised by Labour in 1999 and again in an election pledge in June 2001 to sell off the Tote. In 2004 there was the debacle with the European Union about a possible conflict with state aid rules. Another election pledge followed in May 2005, and although we did not actually have an election in 2007—of course we thought that we might—I am sure that if we look in the archives one day, we will see that it would have been in that election manifesto, too. We could place bets on whether it will be in the June 2010 election manifesto. Who knows? Perhaps the Glasgow, East by-election will have an influence on whether that date changes.

Sadly, the question about the future of the Tote has rumbled on, as has repeatedly been mentioned today. Bids have been agreed, then scuppered, prices confirmed, then rebuffed, Government announcements made and retractions issued. The industry is calling for stability, but all we get from the Government is uncertainty by the barrel load.

The Minister and I first crossed paths about one year ago when we were both appointed to our current posts, and it was in relation to a statutory instrument—the draft Gambling Act 2005 (Horserace Totalisator Board) Order 2007, which is quite a mouthful. It amended the Horserace Betting and Olympic Lottery Act 2004. The Tote should have been sold off, for which the Act made provision, but because that was not going to happen when the Act came into fruition, an SI had to be introduced to allow the state to continue ownership. That was when we first raised the issue before us.

At that time the Minister and I were pretty kind to each other because we were still trying to understand our briefs. We are now a little wiser and are more familiar with the issues. We are not as grey as the former Minister for Sport, although it is clear from the manner in which he gives his speeches that he has not lost any of his energy—clearly, he is still eating three Shredded Wheat in the morning. Long may his energy continue. I pay tribute to the fact that he still wants to participate in the debate, long after he hung up his ministerial boots.

The SI was a chance for the Minister to understand the issues and to spell out what he was going to do, now that he had responsibility for the situation. When asked how much time it would take, he replied:

> "I am aware of the length of time that has been taken… The latest bid is being considered and I hope that an announcement can be made very shortly on the decision."

I jumped up and said:

> "You were not the Minister then",

which is why it was not his fault. The reply came:

> "And it was not my fault. I fully understand the concern that a decision be taken. I hope that that can be done very quickly after proper evaluation of the bid."—[*Official Report, Fifth Delegated Legislation Committee,* 10 July 2007; c. 5.]

A year later, we are none the wiser about what is going on and many questions remain in the air.

Mr. Caborn: I was responsible then. Will the hon. Gentleman tell us whether he supported my proposition this morning?

Mr. Ellwood: Owing to the shortage of time, I shall come straight to that. The right hon. Gentleman put forward an interesting proposition. The first reaction ought to come from the industry. It is a shame that we did not have an advance copy of the statement that he made today, so that we could have provided more of a reaction. Clearly, I cannot comment now. It is for the Minister, not the Opposition, to comment first.

I mentioned that the right hon. Gentleman was very humble, but he also said that we are where we are, which was an appalling excuse for what happened. As much as I like him—he is an amicable character—he was in the job for six years.

Mr. Caborn: I accepted that. I dropped a clanger.

Mr. Roger Gale (in the Chair): Order.

Mr. Ellwood: The right hon. Gentleman indeed dropped a clanger. If more former Ministers came forward and admitted that, we would all be the wiser.

Mr. Caborn: Did you support it?

Mr. Roger Gale (in the Chair): Order.

Mr. Caborn: Sorry, Mr. Gale.

Mr. Ellwood: The point is that the right hon. Gentleman was the Minister, and the industry has suffered because no decision was made. "Sorry, guv, but it's not my fault," does not wash. We need action. I do not want to be talking to the Minister in seven years and hearing his big idea after he has been moved on to another job. We need action today—*[Interruption.]* The right hon. Gentleman points to his notes and says, "This is the answer," but where was it seven years ago? Why did he not come up with those ideas back then? Why does he wait until he has retired from his post before saying, "I have finally woken up and thought of something that I can put forward."? It is very late in the day indeed. That is why the industry is fed up and frustrated with the Government—nothing has come forward.

We need a conclusion to the saga. I remind the Minister what he said in November in response to the hon. Member for Bath (Mr. Foster):

> "I can give the assurance that the hon. Member for Bath was looking for regarding what will happen if we do not sell the Tote to racing and it goes on the open market. The agreement was that 50 per cent. would go to the horse racing industry, and I am happy to put that on the record."—[*Official Report, Westminster Hall,* 21 November 2007; Vol. 467, c. 134WH.]

I hope that he will confirm today that that will continue to be the case.

I conclude by asking the Minister some questions. What is the current value of the Tote? He has already been asked that. What is the timetable for its sale? What advice has he received from Goldman Sachs? I understand that Goldman Sachs has produced an internal report, and we would very much like a copy of it. What impact will a review of fixed odds betting terminals have? They have not been mentioned, but they provide a phenomenal amount of money for bookies. Will a review affect the price, and how will it fit in with any timetable? Does the Minister endorse any of the proposals suggested, six years late, by the former Minister for Sport?

I congratulate the former Minister on what has been a unique experience. He put his hands up and said, "I got it wrong." I hope that is a new trend for the Government and former Ministers. I pay tribute to the right hon. Gentleman's continued involvement in the industry. Many Ministers and hon. Members think, "That's it, my portfolio has finished," and do not bother looking back. We should recognise that that is not the case with the right hon. Member for Sheffield, Central.

As has been said again and again—I say this as the spokesman for the official Opposition—we share the goal of bringing the matter to a conclusion. However, I fear that with only 24 months left until the general election, it might not be a priority for the Prime Minister. I mention him because I do not believe that it will be left to the Minister to take the decision. The issue is similar to that of arcades. I know the Minister wanted a result with stakes and prizes, but it was the Prime Minister's

[Mr. Ellwood]

Office that scuppered the final announcement. I hope that that will not be the case with this issue. Racing is said to be the sport of kings but, unfortunately, it has had a right royal kicking from the Government, as have the Tote, the levy and on-course bookies. I hope the Minister has some good news for us today.

12.22 pm

The Parliamentary Under-Secretary of State for Culture, Media and Sport (Mr. Gerry Sutcliffe): I welcome you to the Chair, Mr. Gale, and I am grateful to my right hon. Friend the Member for Sheffield, Central (Mr. Caborn) for securing such a timely debate. I do not accept any of the charges against the Government about trying to resolve the matter of the Tote. We have tried to work with the complexity of racing and betting organisations to resolve the three issues that the hon. Member for Bournemouth, East (Mr. Ellwood) raised.

Before I go into detail, in the little time available, I pay tribute to the work of my right hon. Friend the Member for Makerfield (Mr. McCartney) and my hon. Friend the Member for Wigan (Mr. Turner), who have consistently supported the work force of the Tote. The likely impact on jobs and the economy in the north-west is an important consideration for me, and I hope that they have a fruitful meeting with my right hon. Friend the Prime Minister tomorrow. I shall certainly make him aware of the issues that they have raised over some time.

Since becoming the Minister with responsibility for sport, I have not been short of advice about different sectors, but particularly racing. I am grateful to my right hon. Friend the Member for Sheffield, Central for admitting his responsibility for the matter over many years, which he tried to resolve in the best interests of racing. He has been a friend of racing and the Tote for many years. Indeed, he still is. It is right that he should try to come up with a solution, and I shall address the detail of his proposals. However, I am slightly concerned that he dismissed Europe rather lightly. Given that he was an architect of the European White Paper on sport, I am not sure that he has taken a consistent approach in that regard.

My right hon. Friend will know better than anyone that the Government have tried to secure a sale of the Tote to racing interests. Their original intention to sell the Tote to a racing trust foundered in 2006 on the state aid ground. There were two subsequent attempts to sell it, first to a racing consortium, and then to a consortium of racing and Tote staff in 2007, but those attempts failed because we could not meet the independently assessed market value needed to allow a sale to proceed lawfully under state aid rules. As a former Minister with responsibility for competition, like my right hon. Friend the Member for Makerfield, I know that we face competition issues.

It was with great reluctance that I announced on 5 March that we had exhausted all practical options for the sale of racing, and that we would prepare for an open market sale with the aim of maximising taxpayer value. I make no apology for wanting to maximise that value. The Government had previously recognised, during the passage through the House of Lords of the paving legislation for the sale of the Tote—the Horserace Betting and Olympic Lottery Act 2004—that a sale to racing in line with policy intentions might not prove possible. My noble Friend, Lord McIntosh of Haringey, said:

> "If for some reason a sale to the trust cannot be completed, then it remains the Government's intention to sell all the securities to a third party, with half the proceeds being paid into the Consolidated Fund and half paid, under the authority of the Appropriation Act, to a body or bodies representing the interests of British horseracing. Any sale and payment will have to comply with European Union rules on state aid."—[*Official Report, House of Lords*, 11 October 2004; Vol. 665, c. WA37.]

I stand by that commitment, and we will bring forward proposals if the Government decide to proceed with a sale on the open market. The hon. Member for Bournemouth, East chided me for the length of time that the matter has taken, but I want to get it right. I want to ensure that racing benefits and that we do the right thing.

I was struck by the point that my hon. Friend the Member for Mansfield (Mr. Meale) made about current economic conditions. As for our intentions, I have the Goldman Sachs report, which we will consider, and we hope to take a decision—

Mr. Ellwood: May we see it?

Mr. Sutcliffe: Well, there are commercial confidentialities to consider, as the hon. Gentleman would expect, but I am happy to meet delegations and discuss the details. If he hears me out, I will tell him more.

I intend to make an announcement pretty soon about our intentions. However, I must consider the current economic state and what the best return would be. I would be chided by both sides of the House if I did not do that. What does 50 per cent. represent? It represents the net figure—sales less debts and pension arrangements—and we want to give it back to racing.

I was struck by the comments of my right hon. Friend the Member for Sheffield, Central about his idea for the trust. As hon. Members said, there needs to be certainty and determination for the Tote. I pay tribute to the staff who work for the Tote, and to the leadership of the Tote, for what they have been doing under trying and difficult conditions. Since I have had my present ministerial position, I have tried to expedite matters in difficult circumstances. Our first intention was to sell to racing, but we were not able to do that, although we tried all the routes available to us. I certainly do not want to hang about with decision making now. It is important that we move forward, but with the caveat that we must consider the market conditions.

The sport is showing signs of modernisation. The British Horseracing Authority, the Racecourse Association and the Racehorse Owners Association are coming to terms with the future of the industry and are prepared to consider different models for the Tote and the levy. My right hon. Friend is right that the two are brought together by issues that the industry has to face. The hon. Member for Tewkesbury (Mr. Robertson) talked about warring factions. I congratulate those concerned on the dinner that was held the other night and the £50,000 that was raised for the Injured Jockeys Fund.

There are complex issues involved regarding differing industry aspirations. One problem with my right hon. Friend's suggestion is that it will take an inordinate amount of time to get people around the table and to get things to where he wants them to be. We still have no guarantee that what he suggests would meet state aid rules and would take us much further forward. I am prepared to talk to him and work with him on that solution, but we must hear what the industry has to say. If the industry supports his proposals, we will go through that.

It is important to get some certainty. I need to move as quickly as possible with the information that I have received. I want to make sure that we protect the interests of the Tote, because it and the race courses have the opportunity to take the industry forward. There is also an international aspect to the future of the Tote. We do not want to delay matters. We simply want to make sure that this long-standing issue, about which Members on both sides are concerned, is taken forward in the right way for the taxpayer and for racing. We want to ensure that it can be successful. I hope to take decisions pretty quickly, and I shall listen to what my right hon. Friend has to say. I will put the issue of jobs in the north-west to the fore, as I have been asked to do, and I shall do so as quickly as possible.

My right hon. Friend asked about perpetuity, which is an interesting concept when one considers issues such as on-course betting—

Mr. Roger Gale (in the Chair): Order. I am afraid that time is up.

UK Consular Services (Laura Hill)

12.30 pm

Mr. Nigel Waterson (Eastbourne) (Con): I thank Mr. Speaker for granting me this Adjournment debate despite the application of the sub judice rule. This case is of the utmost importance to the Hill family in my constituency, and I am pleased to see the Minister in his place to listen again to the story of Laura Michelle Hill and the events surrounding her tragic death in Argentina. I shall concentrate my remarks on the provision of consular services by the Foreign and Commonwealth Office; I certainly shall not seek to pre-empt the coroner's findings.

Laura Hill was an independent and vibrant 25-year-old woman. She worked as a dental nurse and, having saved enough money, embarked, like so many young people, on a South American adventure with some friends. I have spoken to her GP, who confirmed that Laura was in good health. She was the much-loved daughter of Alison and Kevin Hill. Laura arrived in Argentina last summer, on 19 August 2007, and kept in regular contact with her family in Eastbourne until 14 September, when the phone calls stopped. Her parents had no reason to suspect that anything was amiss until, to their horror, on 2 October, the police arrived at their door to inform them of their daughter's death. The following day, the Foreign Office contacted the Hills and appointed a family liaison officer from Sussex police. The initial reports from Argentina indicated that Laura had been found dead on 1 October, sitting alone on a park bench in Buenos Aires. Her parents were told that Laura had died of natural causes, but that terrible tragedy has been made even worse—if that is possible—by the lack of accurate or timely information about the circumstances of Laura's death, the lack of understanding and support from the FCO for Laura's family and, in particular, the failings of the consular service in Argentina. Since Laura's death last October, her parents have struggled to uncover the truth of her death, and for almost 10 months, they have been given conflicting information through the consulate and the FCO. Even the cause of death is still unclear.

Whatever the risks that an individual assumes when travelling abroad, the Foreign Office should demonstrate a greater concern for the unexplained death of a British national in a foreign country. I shall go into detail about the events following Laura's death to put on the record the entire story. It has not been easy to piece those events together—only by pressing the UK consular officials in Argentina, the Foreign Office in the UK and, finally, the Minister himself, were we able to gather what little information we have.

I shall start at the beginning. On the evening of 2 October 2007, Mr. and Mrs. Hill were interrupted by a visit from the police, giving them the worst news of their lives. They then contacted the Foreign Office, and were told that Laura had died of pulmonary oedema—of natural causes—and was said to have been found the day before on a park bench. Despite the Hills' distressing situation, they decided to remain in the UK. They had no reason to suspect that Laura had died of anything other than natural causes, especially since the toxicology reports were not expected until December. The Argentine authorities were not treating the case as suspicious, and

[Mr. Nigel Waterson]

they seemed to make no attempt to trace Laura's travelling companions, her belongings or where she was staying at the time. However, was it not obvious from the outset that there was something suspicious about the circumstances? Laura was healthy, young and did not have any significant health problems.

Like all parents in such a situation, Alison and Kevin Hill could sense that something was not right, and they were concerned that the investigation was being delayed. When they came to my advice surgery on 31 October, they still had not seen the results of the autopsy that had been carried out in Argentina, and they also feared that Laura's organs would not return with her body, as Argentine law does not require any consent for their removal. I immediately wrote to the Minister expressing those concerns. Three weeks later, and before the Minister's response arrived, the autopsy report came through, and only then did the actual circumstances surrounding Laura's death begin to emerge.

I remind the Chamber of the initial reports. The Foreign Office told the Hills that Laura had been found on a park bench and had died of natural causes. The autopsy report, however, could not have been more contradictory. She had been found not on a park bench but in the first-floor hallway of an apartment building. She had suffered extensive bruising on various parts of her body, and other tests suggest that she may have been interfered with sexually. She had fluid in her lungs, but the question is, what caused it? Three days later, the Minister's reply arrived, but I am afraid it offered little in the way of support or new information. In fact, the only comfort to the Hills was the part of the Minister's letter that stated:

> "The Argentine authorities have informed us that small samples of Laura's organs have been removed in order to carry out toxicology tests but they confirmed that the organs would be returned with Laura's body."

It mentioned nothing about the autopsy reports or the conflicting information from Argentina. Even though the report strongly suggested that Laura did not die from natural causes, the Foreign Office, as far as I am aware, did nothing to press for a more thorough investigation in Argentina.

In the letter, the Minister said:

> "We cannot seek a speedier investigation for a British national than would be the norm for an Argentine national."

With respect, I do not think that that is the point. Whatever the nationality of the deceased, the FCO should press throughout for an expeditious, thorough and efficient investigation.

As you can imagine, Mr. Gale, the situation caused Mr. and Mrs. Hill a great deal of anguish. The Argentine authorities then indicated that they were prepared to release Laura's body, but what were Mr and Mrs Hill to do? They wanted their daughter back in the UK, because they wanted to bury her, but they also wanted to find out who, if anyone, was responsible for her death. Given the lack of information from the Foreign Office, I pressed Sussex police for a meeting about the progress of the investigation. Sussex police will not, I hope, mind if I describe their attitude as one of frustration. They would in principle be delighted to assist in any proper investigation, but of course they have no jurisdiction. It was, and still is, open to the Argentine authorities to invite them to participate in an investigation, and if the coroner were to return a particular verdict, that would give the police some jurisdiction, but no such invitation has been received. Again, the FCO could and should have raised that issue with the Argentine authorities. When I made the suggestion, the FCO took the view that it would not be appropriate and suggested an approach by Sussex police via Interpol.

At times during this case, it has escaped me why we bother to have diplomatic representation at all. It was decided that it would be appropriate for Laura to be returned to the UK for a second post-mortem, provided her organs were returned with the body. On 23 November 2007, Mr. and Mrs. Hill received an e-mail from the embassy in Argentina, confirming that it was standard procedure for the organs to be returned, so at great expense, they engaged the services of Rowland Brothers to repatriate the body, thinking that a second post-mortem in the UK would produce more answers than a prolonged investigation in Argentina. That decision was based on the assurances the Hills had received that Laura would be returned with her organs. They would not have repatriated her if they had had any reason to believe otherwise. Laura's body was officially repatriated on 20 December and arrived back in England on 21 December. It was agreed with Sussex police that a Home Office forensic pathologist would conduct a second post-mortem, which was arranged for early in the new year.

The Hills were informed some days later that, despite constant reassurances from all sides, Laura's organs had been retained in Argentina. That was, of course, largely the fault of the Argentine authorities, but both the funeral directors and the consulate could have taken greater care to check the position. To make matters worse, the toxicology reports finally arrived—coincidentally, after Laura's repatriation—and indicated that Laura had a lethal dose of cocaine in her body when she died. I am told that the dose was so high that it was unlikely that Laura could have administered it herself, but without the organs that could not be confirmed by the coroner in Sussex.

I continued to press the FCO. The Minister was good enough to meet me, and he conceded that this was "a dreadful case". He said that he would contact our ambassador in Argentina, but in a further letter he said:

> "The FCO has limited funding for helping those in general need of Consular assistance and this regrettably does not extend to repatriating those who have died abroad."

That may be true, but it entirely misses the point. By that stage, Laura's body—minus the organs—had already been repatriated at the family's expense. The FCO made the position very clear in a further response to me:

> "We remain unable to provide financial assistance for the repatriation of the fragments of Laura Michelle Hill's organs from Argentina to the UK."

It then turned out that the Argentine authorities were no longer willing to communicate with consular staff. Mr. and Mrs Hill were told that they would have to employ a lawyer if they wanted to receive any more information about their daughter.

More recently, it has belatedly come to light that there was an Argentine police report on Laura's death, which apparently stated that there was an investigation into Laura's death and that she died in suspicious circumstances. As yet, I have not seen that report, but its conclusions are clearly very much at odds with what the family were originally told. Without Laura's organs, the coroner cannot complete the post-mortem. Mr. and Mrs Hill are no closer to finding out the whole truth about their daughter's death than they were on 2 October last year. They do not know whom to turn to now. In short, they are in a hopelessly circular situation.

When I originally applied for this debate, it was out of total frustration as the Hills' constituency Member of Parliament. I was initially advised that the debate could not be granted because of the sub judice rule. In short, because the Sussex coroner had opened the inquest, then immediately adjourned it, we could not debate it in the House. However, the coroner cannot hold a meaningful inquest unless and until Laura's vital organs are available for a proper autopsy. In his letter to me of 4 February, the coroner's own frustration is almost palpable:

> "The situation with regard to the retention of the deceased's internal organs by the Argentinian authorities is most regrettable and I can readily see not only the anguish this must cause to Laura's parents but also the frustration felt by them and the investigating officers because of the way their absence hampers the full autopsy I would wish to have carried out in this country."

I am therefore really grateful, as are Laura's family, that the Speaker has been willing to use his discretion in this matter.

I do not believe that the Foreign Office has been as helpful as it could have been. It has not pressed for a meaningful investigation into Laura's death in Argentina and it has left the most important questions surrounding Laura's death unanswered. Perhaps the concerns are best expressed in Mrs. Hill's own words. She wrote this to me:

> "The FCO have taken no responsibility for all of the information they gave us, which was mostly wrong; we do not understand how they readily accepted this without making proper enquiries...We were constantly told that we would not get any help because there was no investigation; this was not true. Surely their job should be to make sure they have as much information as possible to pass on to families when a British citizen dies abroad? We feel we have been treated without any kind of compassion, with no support at all; and what makes it worse is that we put our complete faith in them and believed they were doing everything they could for Laura and her family. How wrong we were."

I am sure that the consular service has many dedicated people working for it, who help thousands of British citizens who get into difficulties across the globe every year, whether it is because of a lost passport or something more serious. However, let me end by pointing out a supreme irony. By coincidence, there landed on my desk a couple of days ago a letter from the FCO, which was presumably sent to all hon. Members. It said that the FCO was proposing to republish its booklet, "Support for British Nationals Abroad: A Guide". The letter said that the guide sets out

> "the full range of consular assistance available to British nationals in distress abroad."

The letter then invited me to contribute ideas for inclusion in the new version of the guide. Well, I hope that those drafting the guide will find this debate to be of assistance in their task.

Even at this late stage, I hope that the Minister will agree to arrange the repatriation of Laura's organs so that a proper post-mortem can now take place, followed by an inquest. Laura's funeral finally took place on 28 April, but her family still desperately need to achieve closure in this matter. I hope that today the Minister can help them to do that.

12.45 pm

The Minister for the Middle East (Dr. Kim Howells): First, I thank the hon. Member for Eastbourne (Mr. Waterson) for securing this debate. I am grateful to him for raising the case of Laura Hill and I welcome the opportunity to outline our consular services and the assistance that we have provided to Mr. and Mrs. Hill.

As the East Sussex coroner may decide to hold an inquest into Laura's death, and as I would certainly not wish to prejudice the outcome of such an inquest, there are aspects of this case that I am not able to discuss at this time. Nevertheless, I extend my deepest condolences to Laura's family for the loss that they have suffered.

Laura Hill first came to the attention of consular staff on 1 October 2007, when the Argentine police notified the British embassy in Buenos Aires of her death. The embassy was informed that she had died on 1 October in the common area of an apartment block, where it is believed that she was visiting a friend of her boyfriend. The sad news of Laura's death was passed to our consular staff in London. After confirming her address in the United Kingdom, consular staff asked Sussex police to attend the address. Officers went to the address and passed the sad news to Laura's parents, Kevin and Alison Hill, on 2 October.

Mr. and Mrs. Hill telephoned consular staff at the Foreign and Commonwealth Office in London the next day. We offered our condolences on the tragic loss of their daughter and provided them with information on options for repatriating Laura's body, including details of international funeral directors who would be able to repatriate Laura's remains. Consular staff confirmed this information in writing later that day. Sussex police quickly appointed a family liaison officer to assist Mr. and Mrs. Hill and to act as a point of contact between them and consular staff.

The post-mortem carried out by the Argentine authorities on 5 October indicated that Laura died of pulmonary congestion and acute oedema, but it stated that further toxicology and histopathology examinations needed to be carried out. We were informed that those examinations would take 15 to 20 days. That information was conveyed to Mr. and Mrs. Hill on 5 October. On 30 October, we informed the family that the full post-mortem results and police report would not be ready until mid-December. We also advised Mrs. Hill to appoint a local lawyer—that is, a lawyer in Argentina—but she declined a copy of our list of English-speaking lawyers in the Buenos Aires area.

On 9 November, we were advised that Laura's body could be released to the care of a funeral director to begin the administrative process in preparation for repatriation. We advised Mr. and Mrs. Hill of this, and advised them that Laura's body could be moved from the municipal mortuary to a funeral home, but we understood that the family had concerns that the investigation into Laura's death would not be completed in a satisfactory way once her body had left the care of the authorities, so they chose to leave her body at the municipal mortuary.

On 5 December, the presiding judge authorised the release of Laura's body for repatriation to the United Kingdom, but Mr. and Mrs. Hill had yet to instruct an international funeral director to act on their behalf. On 6 December, consular staff in London and the FCO

[Dr. Kim Howells]

police adviser met members of Sussex police and advised them that delaying repatriation would not assist the Argentine investigation but might be detrimental to any investigation by the UK coroner. Sussex police conveyed that information to the hon. Gentleman, who confirmed on 7 December that the family were ready to authorise the repatriation of Laura's body.

The toxicology results were issued on 12 December. They indicated that Laura had died of pulmonary congestion and acute oedema resulting from ingestion of a quantity of cocaine. We faxed a copy of the original document in Spanish to the family on 13 December and, exceptionally for us, provided them with an unofficial translation on 21 December. Following completion of the administrative processes, Laura was repatriated on 21 December. On 18 January, nearly a month after her return, consular staff in Buenos Aires were informed by the international funeral director's local agent that Laura's body had been returned with a large proportion of her organs missing. I appreciate, as all of us readily can, that that must have been a distressing blow for Laura's parents, as they had expressly requested that her entire body be repatriated. We had relayed that message to the authorities in Buenos Aires, who had assured us that that would be the case. As removal and destruction of organs had not been an issue that we had encountered in Argentina before to this case, consular staff had no reason to question whether Laura's organs would be returned with her body.

It is not the role of consular staff to check the status of a body before it is repatriated—and they do not have the means to do so—but only to be satisfied that a correct identification has been made. One can understand the scale of the problem if consular staff were required to do so, given that no fewer than 4,527 Britons died abroad in 2006-07. As soon as the family notified us that Laura's organs had not been returned with her body, we raised the issue of the missing organs with the fiscal—the prosecutor—in Buenos Aires on 22 January. The fiscal informed the embassy that it is normal Argentine practice in such cases for organs to be removed for testing. That information was relayed to the family liaison officer appointed by the Sussex police. To avoid any further confusion, we have since amended our Argentina death information sheet to explain the Argentine practice.

The embassy remained in contact with the Argentine authorities, but it was not given any more information because the Argentine authorities wanted to deal directly with the family, which is normal in such circumstances in Argentina and throughout the world. Nevertheless, on 27 February, in the light of the continuing concern, the British ambassador in Buenos Aires exceptionally requested and obtained an assurance from the presiding judge, Dr. Pagano Mata, that the remaining fragments of Laura's organs could be released. For that to be done, all that was needed was an application to, and authorisation from, the fiscal. We relayed that information to Mr. and Mrs. Hill on 28 February, and they confirmed the family's desire for the return of the remains. On behalf of the family, consular staff in Buenos Aires lodged a formal request and, on 3 March, the Argentine authorities authorised the release of the remaining fragments of Laura's organs. The family were informed, but as yet they have not appointed an undertaker. The fragments of the organs therefore remain in the custody of the Argentine authorities.

The hon. Gentleman contacted London consular staff on 1 April to raise the family's distress at the situation and to request that the FCO pay the £3,500 that the family had told him was the cost of repatriating the remains of the organs, as we had given our assurances that the organs would be returned with Laura. We have explained to the hon. Gentleman and to the family that at no time did consular staff give such assurances, and that we had only been passing on information given to us. We have also made it clear that the FCO does not fund repatriations; the cost must be borne by the family, or their insurance company, and it is for them to approach an international funeral director to make the necessary arrangements.

We were surprised that such a high sum was being for the repatriation of fragments of organs, so consular staff contacted Rowland Brothers, the international funeral directors appointed by Mr. and Mrs. Hill to repatriate Laura's body, for clarification. They confirmed that they had not been contacted by Mr. and Mrs. Hill about repatriating the organs, but they estimated that the cost would be in the region of £800 to £850. Rowland Brothers contacted Mr. and Mrs. Hill and said that they would be happy to provide them with a quotation if and when they were appointed to handle the matter. I understand that Mr. and Mrs. Hill requested a quote from Rowland Brothers, who quoted the sum of £850 on 22 April, but Mr. and Mrs. Hill have not been in contact with them since then.

The hon. Gentleman contacted my office on 1 May for confirmation that the FCO would not pay for the repatriation of the organs. On 9 May, we confirmed that our position remained unchanged and that we could not provide financial assistance to Mr. and Mrs. Hill. Consular staff emphasised both that the Argentine authorities were under no obligation to communicate details of the investigation into Laura's death for us to pass on to the family, and that communication is normally either directly with the family or through a legal representative.

I assure the hon. Gentleman that I am satisfied that consular staff have provided Mr. and Mrs. Hill with all the assistance they properly could during this very difficult time. They have provided information to Mr. and Mrs. Hill so they can make their own decisions, they have relayed information to Mr. and Mrs. Hill, and between the Hills and the Argentine authorities, in a timely manner, and they have never sought to impede matters or mislead in any way. We can convey to the family what information we are given, but it is not for us to request that a foreign Government invite British police to participate in an investigation into the death of a British national, nor can we seek a speedier investigation for a British national than would be available to a local person or any other national. We would certainly not countenance such requests made by a foreign Government to our Government.

I have taken a close interest in this case, and I have provided the hon. Gentleman with full responses to his letters. I have spoken with our ambassador to Argentina, who is a very fine ambassador, to be sure that we have done all that we properly can do. I remain satisfied that that is the case. I am extremely sorry that Mr. and

Mrs. Hill have suffered such a tragic loss. The death of one's child is an unimaginable trauma. I hope that they will be able to come to terms with their loss and the circumstances of Laura's death. I also hope that during the course of this debate I have managed to make the FCO's position as clear as possible.

12.58 pm

Sitting suspended.

Rolle College, Exmouth

1.30 pm

Mr. Hugo Swire (East Devon) (Con): I am grateful to have secured the debate and for the Minister's attendance. The future of the Rolle college campus in Exmouth has become an extremely contentious and important issue, not only for the people of Exmouth but for East Devon as a whole. The university campus has been providing vocational skills and further educational opportunities for more than 60 years. Throughout that time, the college has played an extremely important part in the economic and community life of Exmouth. Rolle college, which is primarily a teacher training college, has a fantastic academic reputation and an excellent relationship with the local community and schools. It has played an integral part in the life of Exmouth as a town, not only contributing to the local economy but placing students in local schools, many of whom stay on to become teachers in the local area.

Exmouth has a high number of elderly residents, and the town has two of the most deprived wards in Devon—Littleham and Town—which are in the upper quartile of social deprivation in the country, with 46.9 per cent. of households having an annual income of less than £20,000. Over the years, the presence of Rolle in the town has contributed a substantial amount, not least by giving the town university status.

In November 2005, the university of Plymouth made the controversial decision to close the Rolle college campus in Exmouth and move the teaching facility with its 3,000 pupils and 400 staff to its main Plymouth base. Professor Roland Levinsky, who had been appointed the university of Plymouth's second vice-chancellor in September 2002, set himself the aim of lifting the university from its position as one of the leading post-1992 universities to rival much older and more research-intensive institutions. To do that, he was willing to take unpopular decisions, such as concentrating the university's teaching in Plymouth, with the closure of three campuses, including Rolle. Those moves, while undoubtedly giving Plymouth more the structure of longer established UK universities, will have a devastating impact on Exmouth.

The decision to relocate the Rolle campus will create an economic void in Exmouth, resulting in the estimated loss between £4 million and £5 million per annum to the town's economy. In addition to the monetary loss, the students have made an enormous contribution to the vitality of the town. The campus is in good condition and is closely connected to a growing community. It benefits from and supports additional educational, sporting and social events. Apart from losing an excellent established college, the town will become much more of a retirement area, without the life and employment opportunities that the college embodies. Surely the Minister will agree that it is appropriate for the university to work towards compensating the town in some manner for the loss that will be incurred?

It came as some relief that Professor Roland Levinsky pledged to work with the local community to mitigate the loss to the town. Following the vice-chancellor's untimely death in January 2007, the university authorities reiterated their desire to honour his pledge to offer the site for education at a discounted price and made

"a commitment not to sell to the highest bidder."

[*Mr. Hugo Swire*]

With legislation to extend education up to the age of 18 beginning to take effect within the next five years, the matter of school capacity has become all the more important. In East Devon, that will mean having to find approximately 450 extra places by 2015—a feat that may prove particularly difficult, as all seven secondary schools in the constituency are full and, with no land to build on, temporary classrooms will be needed for at least the next three years.

Devon county council and the Learning and Skills Council both agree that there is a real need for additional 14-to-19 education capacity in East Devon, although no real provision has yet been made for post-16 education. In fact, I was shocked and appalled to discover that the Liberal Democrat-led county council was attempting to sell off land adjacent and belonging to the community college at Withycombe Village road to the tune of approximately £500,000. Now is the time not to start selling off ground belonging to community colleges, but to examine ways of acquiring land to accommodate students. That land is used by 90 children a day. If it was sold, classes for next year would have to be cancelled. When contacted by the school, Devon county council was, amazingly, unaware of the school's use of buildings on the land, despite providing funding for two of them. I simply cannot understand what the county council thought it was doing.

On 25 June, during Prime Minister's questions, I was told by the Prime Minister that in my local authority area,

> "there are two new schools; 19 schools have been rebuilt; 390 additional classrooms have been provided; and funding per pupil has risen substantially. There are also 600 more teachers and 1,800 more teaching assistants."—[*Official Report*, 25 June 2008; Vol. 478, c. 284.]

Not for the first or last time, the Prime Minister was slightly missing the point. East Devon has been unfortunate in receiving very little of what has been allocated to Devon as a whole. In the past 10 years, only one school has been rebuilt and only 44 additional classrooms provided, and there are only 103 more teachers and only 127 more teaching assistants. That is an extremely small proportion of what has been allocated to Devon as a whole. Why?

In the light of all that, the logical solution appears to be for the Owen building on the Rolle College campus to be retained for educational use, as it could house a greatly expanded post-16 centre, accommodating up to 1,000 students. Not only does that accord with the stated wishes of the late Professor Levinsky, but the Owen building can provide immediate good-quality, purpose-built accommodation for a large number of young people from 14 to 19 and already includes facilities such as a library. Use of the site will provide opportunities to work collaboratively with other organisations to offer a range of educational qualifications. That may include opportunities for the development of training and education for adults, as well as the provision of services to the wider community of Exmouth and East Devon.

Almost a year ago, on 18 July 2007, in response to the Leitch review of skills, the Government published "World Class Skills: Implementing the Leitch Review of Skills in England" to introduce new legislation to strengthen the current funding entitlement for adults. The Prime Minister stated that

> "we need a major drive to upskill our workforce, investing in training to boost the employability of millions of adults, help employers harness the skills they need to build successful British businesses, and create a more prosperous society."

One hopes that, having recognised that need for training and education, the Government are actively seeking ways to implement their legislation. We propose that if the Owen building is successfully secured for educational purposes, adult learning could also take place on the Rolle campus. Firms in Devon have been experiencing difficulty in hiring adults with appropriate skills and training. Acquiring the Owen building for educational purposes could work towards successfully addressing that issue.

In addition to more direct educational uses of the site, a broader range of community uses could be established. If the council is attempting to sell off community college land, it is all the more essential to purchase the Owen building to house increased student numbers. Aside from legislation that will necessitate an increase in capacity for 14-to-19 education, the new town of Cranbrook and the regional spatial strategy resulting in an increase in the population within travelling distance of Exmouth provide the potential to sustain post-16 and adult training in the future. The main study report for the Exeter, Torbay, Mid Devon and East Devon housing market assessment, launched on 24 July 2007, has found that 19,000 additional properties are required to be built in the area over the next five years to meet an acute shortage, substantially increasing the amount of housing in the area and, subsequently, the need for more educational capacity. Surely the Minister agrees that with the increased pressure put on local authorities by new education legislation and an increase in housing in the area, the Government should be doing all they can to assist.

The county council was apparently prepared to take a leading role in securing the site. In December 2007, when pledging £3 million, the leader of the county council, Councillor Brian Greenslade, said,

> "Devon county council recognises what a body blow losing Rolle college will be for Exmouth and we are therefore pleased to be working with other stakeholders to give what support we can to help deliver further education in Exmouth."

The county council is working in partnership with the Learning and Skills Council, East Devon district council, the South West of England Regional Development Agency, Exeter college and Exmouth community college to ensure the long-term viability of this facility. That cross-party consortium has the express aim of assisting Government plans to retain British teenagers in either education or training until the age of 18.

Despite meetings with the university prior to the site being placed on the open market, the consortium's efforts to purchase the Owen building and surrounding campus for educational purposes suffered a setback with Plymouth university's unexpected announcement that it was pulling out of exclusive negotiations and putting the site for sale on the open market. Surely the Minister must agree that that was an act of bad faith on the part of the university.

The university initially received a substantial offer from a property developer, a sale that I believe would have expressly contravened the university's previously stated wishes and intentions. However, in the light of the current economic climate and the developer's desire to incorporate the consortium's wishes, it revised the offer to a smaller sum. That was rejected by the university, which is now planning to sell the land in smaller plots. I hope that that is not being done to avoid a section106 agreement.

In July 2007, I led a local cross-party delegation to meet Lord Triesman, then Under-Secretary of State at the Department for Innovation, Universities and Skills. At that meeting, Lord Triesman was shown a letter from Debbie Pritchard of Devon county council, clearly stating that all secondary schools in East Devon are currently full. The meeting appeared to be constructive, and Lord Triesman agreed to consider the case.

However, in a letter of 13 September 2007, the Minister said that as the funding from the sale would be reinvested in educational provision on the Plymouth campus, it was to his way of thinking satisfactory, regardless of the acknowledged need for education provision in Exmouth. Although it is true that that money may be invested in educational provision in Plymouth, does he really believe that that was a constructive answer? Surely he must concede that it does not begin to solve the multitude of problems caused by the lack of educational provision in Exmouth?

The Minister overlooks the loss of revenue to Exmouth, and the amount of public money that will be wasted if the new college building is flattened to make way for more housing. The Owen building was constructed only three years ago, at a cost of £2 million, financed by the Higher Education Funding Council. To demolish it to make way for housing would surely not be an appropriate use of public money. Is he suggesting that a purpose-built educational faculty, recently paid for with taxpayer's money, should be levelled by bulldozers to make way for yet more housing? At a time of economic crisis, with the cost of living continually rising, does the Minister honestly believe that taxpayers would see that as an acceptable and rational way to spend their money? That money was spent on education in Exmouth, not Plymouth, and as such the town should not be forced to suffer through the university's decision to move its campus.

In October 2007, I led the same cross-party delegation to meet the Minister for the South West, the hon. Member for Exeter (Mr. Bradshaw). He pointed out, as previously mentioned, that Devon county council and the Learning and Skills Council agree that there is a real need for additional 14-to-19 educational capacity. On one hand, that observation gives credence to the consortium's efforts to purchase the site; but on the other, it demonstrates contradictions among Ministers and shows their inability to work within a joined-up Government. If the Minister for the South West can appreciate the situation and support the consortium's work to secure the site for further education, why is he being directly opposed by his colleague, the Minister here today?

Plymouth university originally received the land for free from Devon county council, and the strong feeling locally is that the public good rather than the price should be the key determinant of the future use of the site. The Exmouth Community Association, a watchdog group formed to oversee the future development and well-being of the town is backing the consortium's plans. In a report on the proposals, an association spokesman said:

> "It is our view that the campus should not be used for residential apartments or housing."

Many Exmouth residents hope that the site does not end up in the hands of developers, as they are acutely aware of the lack of available space in Exmouth or the surrounding area to build a facility from scratch as suitable as the Owen building. Instead, a new school would have to be provided at a cost of about £25 million, and there is no obvious site for it.

On 20 May 2008, I wrote to the Minister to point out that true long-term value for money for public funds would be gained for the local community and economy only by establishing a post-16-year-old college, and not by razing an outstanding facility to the ground. I requested a meeting with him and the Minister for the South West. The response that I received simply stated that

> "less funding for schools and further education in Exmouth would mean more funding for higher education in Plymouth".

That naively neglects the very real and pressing need for education provision in the Exmouth area, which has already been recognised by the Minister for the South West. It is yet another example of the impact that central and regional policies are having on small coastal and rural communities in the south-west. It is time for the Government to step in to resolve the situation.

The strategy that says that we should create main centres of economic, cultural and academic excellence takes no account of the special conditions that exist in coastal and rural areas like the south-west, as the communities there also need to be sustained. How does the response make Exmouth a more sustainable community? The town has already lost a vital economic asset; all stakeholders, including Ministers, should be working together to ensure that something of worth is put in its place.

One of the schools hoping to move onto the newly vacated site is Exmouth community college. It is the largest secondary school in Europe, and its facilities are among the best in the country. The school received a good rating in its latest Ofsted report, and it now has a considerable waiting list. At present, the sixth form has 389 pupils, but the school will have to accommodate another 350 extra pupils by 2015, when education up to the age of 18 becomes compulsory. However, the school has no room to expand or to build new facilities. If the Minister is satisfied with less funding for schools and further education in Exmouth, where does he propose housing those students?

Exmouth community college is the only secondary school in this expanding seaside town, and a large percentage of learners stay on into the sixth form. The school has a year 11 stay-on rate of 82 per cent., which is considerably higher than the national average; in addition, this year it accommodated 20 new students from surrounding schools, who were attracted by the courses and facilities available. There has been a significant increase in results over the last three years; and students' progress, which was inadequate three years ago, is now good throughout the college. Despite those impressive results, the college loses a number of potential students and there is a significant post-16 drop out level in East

[Mr. Hugo Swire]

Devon due to certain courses being available only at Exeter college or East Devon college. The acquisition of Rolle would enable those courses to be provided locally.

It almost beggars belief that such a real need is being ignored by a Government who like to pride themselves on believing that education is important. In November 2007, during topical questions the Minister for Schools and Learners stated:

> "I remember visiting Exmouth community college last summer with my right hon. Friend the Minister for Children, Young People and Families. The issues with that site were pointed out to us, and I have sympathy with the college's plans."—[*Official Report*, 12 November 2007; Vol. 467, c. 395.]

He praised the good work of the college, and hoped that it would continue. If the Minister for Schools and Learners and the Minister for the South West are both able to see sense and support the plans of the community college, why does the Minister remain so blinkered in his view?

Unless the school receives proper support, in the form of increased space and facilities, there is a real possibility that the good work that has been achieved will suffer. Surely the Minister must agree that that is in no way a desirable outcome?

With the impact of the new specialised diplomas for young people, there is a genuine need for schools and colleges to set up partnerships with other institutions in order to provide the wide range of resources required to teach the new courses. If the community college were to collaborate with Exeter college and Devon county council by sharing facilities and staffing at the Rolle site, the young people of Exmouth and the surrounding area, including Exeter, would have access to the very best curriculums and qualifications.

The future of Rolle college campus in Exmouth can no longer be overlooked or brushed under the carpet. It is imperative that Brian Greenslade, the leader of the Liberal Democrat-led county council, puts a formal offer to Plymouth university for the purchase of the Owen building. The university has no formal bid on the table. It is struggling with debt; and by selling the land in small parcels, it would appear that the consortium is in an excellent position to purchase the Owen building.

The consortium, a cross-party group, is attempting to comply with Government policy in an area of the country with an outstanding school that is struggling to provide for its pupils. If the campus goes to the highest bidder for redevelopment, the town will be left with nothing. Although the consortium continues to work towards achieving a positive outcome for Exmouth from the Rolle closure, it is receiving little assistance from the university, the Learning and Skills Council or the SWERDA, which has refused to give any funding to the project.

I raised the matter at Prime Minister's questions and was told that he would look into the matter. I subsequently sent the right hon. Gentleman a detailed letter, yet I have heard nothing. Ministers must realise that it is a real and pressing matter. Unless measures are taken quickly, it will have a detrimental impact on the young people of Exmouth and East Devon as a whole.

1.48 pm

The Minister for Lifelong Learning, Further and Higher Education (Bill Rammell): I congratulate the hon. Member for East Devon (Mr. Swire) on securing this debate. As he rightly said, it is an important subject. It is appropriate to debate it in this Chamber, as it genuinely involves a balance, which the House has to strive to maintain, between local needs and discretion on the one hand and national policies and priorities on the other.

I assure the hon. Gentleman that the quality and quantity of education available to young people and adults in East Devon is of equal significance to the Government as it is to him. That was made apparent in the answer that my right hon. Friend the Prime Minister gave in the House on 25 June. I hope that it will be made evident also by what I have to say this afternoon.

The closure of Rolle college campus raises two main issues. Both are important, but I stress that they are distinct. The first is the decision to transfer the University of Plymouth's faculty of education from Exmouth to the university's main campus in Plymouth. As the hon. Gentleman has indicated, that decision was taken by the university's board of governors in the autumn of 2005. In announcing the change, the late—and very much missed—vice-chancellor, Professor Roland Levinsky, described the reasons for that decision as follows:

> "This is a necessary development to help us achieve the mission of becoming an international centre of learning and research excellence, serving the whole of the South West peninsula."

Along with many other people in the Exmouth area, the hon. Gentleman protested against the board of governors' decision at the time, as was his right. The reasons for doing so were, frankly, entirely understandable. They included concern for the future of teacher training at the university of Plymouth and for the staff and students of the faculty of education. Notably, in view of the fact that most newly qualified teachers take up their first posts near the institutions where they trained, their concerns also included, quite properly, the possible effects of relocation on the supply of teachers to schools in the Exmouth area.

I emphasise that the university authorities attempted to give reassurance on those issues from the start and made it clear that the relocation from Exmouth did not signal the end of teacher training at the university. Most importantly, a new faculty of education building on the main campus was promised at a cost of £25 million. We have since heard that the building has been named after the Rolle family, in recognition of their long-standing connections with the institution and the area. Teacher training at Plymouth is in a healthy and robust state, and with almost £4 million of grant from the Training and Development Agency for Schools to support 321 training places in the next academic year, the success that it enjoyed at Rolle college is set to continue in its new home.

That was the process by which the decision to close Rolle college was taken, the reasons for it and its effects. It might well be asked, however, what the Government were doing while that was happening. That is where we come to the crux and heart of the matter. Over the past three years, unlike my predecessors as Ministers for Higher Education, from the Conservative party as well as my own, I have reminded the House many times of the limitations of the Government's powers to intervene in university management decisions. To a significant extent, those are limitations that Parliament has put in place by enacting, for example, the Education Reform Act 1988, the Further and Higher Education Act 1992 and the Higher Education Act 2004.

It was entirely right of Parliament to have acted in that way. I strongly believe that the historical autonomy of universities is part and parcel of their academic freedom and the strength of our higher education system in this country. It allows them to contribute fully to the well-being of their local areas and identify and pursue their unique institutional missions. If one compares the state and performance of our higher education institutions to many of those overseas, one will see that university autonomy is one of the factors that lead to the strength of our performance. Indeed, I can do no better on that point than quote the hon. Member for Havant (Mr. Willetts.) This is one of the areas in which, party politics aside, I am bound to agree with him. He said:

> "Our universities are recognised internationally. But we limit their potential if we have too much regulation or the wrong sort of regulation…Now that we have a Department for Universities for the first time ever—a welcome change in many ways—there is a clear risk that ministers will be tempted to meddle more and consult less. We need a new approach that recognises that universities are grown-up institutions that should be able to set their own priorities and speak to Government on an equal basis."

So, were a Conservative Minister standing here, I am not sure that the hon. Member for East Devon would get an answer that was different to the one that I am giving him.

It follows from that line of reasoning that there is no basis in law on which the Government could, or indeed should, have sought to obstruct the relocation of the faculty of education from Exmouth to Plymouth. It would not be appropriate for me or the hon. Gentleman to criticise a decision that the university authorities believed to be in the best interests of their institution, its staff and its students.

That brings me to the second issue that the closure of Rolle college campus raises, which is about the use to which the Rolle college site should be put now that it is no longer needed for teacher training. The hon. Gentleman asked about that issue on 25 June during Prime Minister's questions and claimed that my view was that the site should simply be sold to the highest bidder. That is not my view, and I have been at pains to make that clear during our discussions, communications and correspondence. My view is that to whom and for how much the site should be sold is a matter not for this House, but for the university's board of governors, provided that it acts in accordance with the statutes of the university and the law of the land.

The hon. Gentleman's opinion is that the Rolle college site should be given over to providing post-16 education, which is a perfectly valid opinion, and I welcome any measure that would provide improved education and training facilities for the young people of Devon. The answer that the Prime Minister gave to the hon. Gentleman on 25 June set out clearly the huge improvements that have taken place within Devon as a local authority area within the past 10 years, and those have been replicated within East Devon. I will be happy, following the debate, to write in detail to the hon. Gentleman, setting out some of the improvements that have taken place, which compare enormously favourably with what took place prior to 1997.

Should the Government now decide to intervene to secure the Rolle site for educational use? I will answer that question with another. By what right and under what power would the hon. Gentleman suggest that we do so? We are neither unsympathetic nor unwilling to use our good offices to help the parties involved reach an agreement. The Prime Minister has offered to consider any proposal that the hon. Gentleman wishes to make. My former colleague at the Department for Innovation, Universities and Skills, Lord Triesman, as the hon. Gentleman said, met a delegation led by himself to discuss that issue towards the end of last year, as did the Minister for the South West. The hon. Member for East Devon has corresponded on the issue with me on a number of occasion, and also with the Minister for Schools and Learners. I know that the Learning and Skills Council, which is sponsored by my Department, has also been actively involved in trying to find a mutually satisfactory solution.

I need to be clear that we are not and cannot be talking about a fire sale. In today's real estate market, the Rolle college campus still has a substantial value. The proceeds of its eventual sale will undoubtedly benefit the university of Plymouth, and that in turn will mean a better standard of higher education for the people of the south-west. In those circumstances, it would be difficult for university authorities to justify a decision to sell off the campus at a knock-down price. It is therefore a matter for the university, East Devon district council and Devon county council to work together to find a solution.

I shall be clear that this is not a matter over which I, as the Minister for Higher Education, have authority, and perhaps this is where I can indicate a potentially constructive way forward. Even if I wanted to, I cannot dictate to the university how it should act in these circumstances. Nevertheless, I understand the case that the hon. Gentleman is putting forward for a desired outcome from an educational perspective within his constituency.

Although I can give no guarantees and have no control over the outcome, I am prepared to talk once again to the university authorities, the Learning and Skills Council, the local education authority and the district council to see whether there is some way that the matter can be taken forward. I cannot guarantee the outcome of that discussion, because ultimately the university of Plymouth has an absolute right to make that decision. Nevertheless, given the concern, I am willing to engage in those discussions and happy to report back to the hon. Gentleman on the outcome.

Question put and agreed to.

Adjourned accordingly at one minute to Two o'clock.

Westminster Hall

Wednesday 16 July 2008

[MR. MIKE HANCOCK *in the Chair*]

Road Safety

Motion made, and Question proposed, That the sitting be now adjourned.—*[Alison Seabeck.]*

9.30 am

Mr. Gordon Prentice (Pendle) (Lab): I welcome the opportunity to debate road safety and young drivers. My friends the Members for Hyndburn (Mr. Pope) and for Rossendale and Darwen (Janet Anderson) are expected to attend the debate, and I am sure that we shall be joined later by other colleagues from east Lancashire.

I congratulate the Minister, and the Government, on their record on road safety. We learn from the latest statistics that road deaths have fallen below 3,000 a year for the first time since records began in 1926. What an astonishing achievement. The figures published a few weeks ago show that the number of people killed in road accidents fell by 7 per cent. between 2006 and 2007. The long-term trend shows steadily reducing numbers of people being killed or seriously injured on our roads. Our roads, amazingly, are now eight times safer than in 1966. Road design plays its part, although we all know of killer stretches in our constituencies. Cars are designed much better than they were; universally, they have air bags. We have had Government initiatives over the years on drink-driving and "Clunk-click every trip".

Those campaigns have made a real difference. They have made us all more safety-conscious. However, one group stands out as an exception: young drivers. A fifth of all new drivers have an accident within six months of passing their test, and a staggering 70 per cent. report near misses in the same period. I am stating the obvious, but most new drivers are young. About three quarters of all new drivers are under 25. Young drivers are rarely out of the news. Only last week we saw on television the news of the tragic deaths of six young people in Leicestershire after their car ploughed into a 38-tonne lorry on a notoriously dangerous stretch of road near Melton Mowbray.

David Taylor (North-West Leicestershire) (Lab/Co-op): The accident was in north-east Leicestershire, and I represent North-West Leicestershire, not far away. I am sure that my hon. Friend will be careful to say that we do not yet know, in relation to the inquest, whether the lorry ploughed into the car or the car ploughed into the lorry. It is an indicative circumstance that the accident happened in the small hours of the morning. A factor that we need to take into account, whether or not it was relevant to the accident in question, or whether there were other factors, is that although only 6 per cent. of licence-holders are under the age of 25, they account for almost a third of relevant deaths and serious injuries—albeit that the figure for those has now fallen below 3,000 a year. We need to do something. The Government have a good track record and the Minister has an excellent one, but more is needed, urgently. The carnage among young people, particularly young male drivers, is appalling.

Mr. Mike Hancock (in the Chair): That was very close to a speech, Mr. Taylor.

Mr. Prentice: It was a good speech; I was very ready to listen to it.

Mr. Mike Hancock (in the Chair): It certainly was.

Mr. Prentice: I do not know the circumstances and will not venture into speculation about what happened in Leicestershire. All I will say is that I grieve, and we all grieve, for those young people who lost their lives. Of course, that accident made national news, but every week—week in, week out—there is carnage on our roads.

Bob Spink (Castle Point) (UKIP): The hon. Gentleman will be aware that tragically, about 14 young people are killed on our roads every week, and that young people between 17 and 20 years old are 10 times more likely to have a serious injury or be involved in an accident that results in death than him or me. Does he think that the Government should now act, in the way the Select Committee on Transport suggested, to restrict the ability of young drivers in that age group to carry other young passengers at certain times of day? Would not that save many lives each year?

Mr. Prentice: Yes; I am coming on to that. It is true that young people feature disproportionately in accidents. The Transport Committee got it right when it recommended in July last year that there should be a graduated licence scheme. I am pleased to see in the Chamber the new Chair of the Transport Committee, my friend the Member for Liverpool, Riverside (Mrs. Ellman), who succeeded our illustrious friend the late Gwyneth Dunwoody.

Mr. Philip Hollobone (Kettering) (Con): Is the hon. Gentleman aware that for the period 1981 to 2004, the most common cause of death in Britain for people aged between five and 35 was motor vehicle accidents, whereas for people dying after the age of 35 it was heart attack and chronic heart disease? Does he agree that road safety should be treated as a health issue as well as a transport issue?

Mr. Prentice: Mr. Hancock, my script has been stolen—I must not give way again—but I am coming to that point.

I have mentioned the accidents that happen in our constituencies, and it certainly has a resonance for me when I drive around my constituency of Pendle—a large one as constituencies go—and pass roadside shrines with flowers and cards, or sometimes a football strip pinned to a tree. Even when the flowers have gone and the cards have blown away I still remember what happened. The stories that appeared in local papers are fixed in my head when I drive past the tree stump or the fence that is leaning at an angle of 30°. I remember what happened there in the place where young people died.

Mrs. Louise Ellman (Liverpool, Riverside) (Lab/Co-op): I congratulate my hon. Friend on securing this important debate. Does he agree with the general conclusions of the Transport Committee on this matter: we are dealing with unnecessary carnage and tragedy, and the solution

[Mrs. Louise Ellman]

is a combination of methods, including attitude changing, skills acquisition and possible restrictions on where and how young new drivers can drive their vehicles?

Mr. Prentice: Yes, I agree with the Chair of the Transport Committee. Unfortunately the Government are not prepared to countenance restrictions, and I think that that is a major problem. I am gratified that they have published what is in effect a consultation—and I hope that the contributions made in this debate will form part of the listening exercise that will inform their conclusions—but the decision was a big mistake. It is not as if the Government did not see it coming, because the Transport Committee made it very clear in its excellent report on novice drivers in July 2007 that that was what it wanted.

Road accidents, to deal with the point made a few moments ago, are, as we know, the biggest killer of 15 to 24-year-olds, and more than 14 drivers and their passengers are killed on our roads every week. The Transport Committee put it starkly:

> "young male drivers are now the biggest killer of young women in this country."

Young men—I should say "some young men"—behind the wheel are a menace to themselves and others.

I congratulate the Library on the excellent paper that it produced for this debate, but that paper told us only what we already suspected: young drivers have a high number of crashes when driving at night and on weekends, and when carrying young passengers. We know that as a fact. The early hours of the morning are the worst. I am sorry to bombard colleagues with statistics, but the statistics make the case. Male drivers aged between 17 and 20 have 17 times more risk of having an accident between 2 o'clock and 5 o'clock in the morning than all male drivers. Half of all accidents involving young people happen at night. I am listening to myself speak, and it sounds as though I am demonising young people. I am not; I am drawing attention to the facts of driving life as they affect young people.

Young people aged between 17 and 20 are more likely to be in a crash where only their vehicle is involved. Here is a fascinating statistic: the probability that a young driver will have an accident is 39 per cent. higher if there is another young person in the car with them. The probability is 85 per cent. higher if there are two or more young passengers, and 182 per cent. higher if there are three or more, geeing on the driver. I do not know what it is—a rush of adrenalin or a macho thing—but the drivers lose control.

Paul Flynn (Newport, West) (Lab): It is not demons; it is adolescence and testosterone that lead to accidents. Thirty years ago, when I became the chairman of the Transport Committee, I discovered to my astonishment that there were more fatal accidents on one relatively quiet road between Newport and Usk than on all the other roads in the county, because of a popular club on that road. The combination of Saturday night, young men and alcohol has been killing our young people for a long time. I warmly congratulate my hon. Friend on securing this debate about the most obvious cause of avoidable road accidents. We need radical reforms.

Mr. Prentice: I am in total agreement with my friend. Road safety is rarely out of the news, as he will know. Only yesterday, the chief medical officer said, acknowledging that it was controversial, that there should effectively be a zero drink limit for young drivers. We know that 35 per cent. of drink-drivers involved in accidents in 2005 were aged between 17 and 25. That is more than a third of all those involved in drink-drive accidents.

Bob Spink: Will the hon. Gentleman give way?

Mr. Prentice: Yes, for the second time, but then I really must make some progress.

Bob Spink: The hon. Gentleman is being generous. Does he acknowledge that there may also be a risk that those young people are under the influence of drugs as well as drink?

Mr. Prentice: I do not want to demonise young people, but I dare say that it is a question not just of drink but of drugs as well.

Material published recently by Brake, the road safety charity, tells me that one in three young drivers admits to overtaking when they cannot see what is coming. That slapped me in the face and made me think. I thought about what Gwyneth Dunwoody said in this very place in February this year. She said that young drivers—she meant young male drivers—think that they are invincible. They may think that they are invincible, but they are not.

The Government produced a consultation paper in 2001 that discussed driver attitudes, to which my friend the Member for Liverpool, Riverside alluded. The consultation paper said:

> "The frequency with which novice drivers report…exceeding the speed limit, driving through a red or amber traffic light, and driving too close to the vehicle in front…strongly predicts the accident liability for both male and female drivers. These drivers tend to be young, male and high mileage drivers. They consider themselves better drivers than others and believe that bad consequences are less likely to result from their actions, and that they will be less serious if they do."

That is the mindset: "It's not going to happen to me, and if it does, it'll just be a little scrape."

There is a problem. The question is: what are we going to do about it? The Government have published a consultation paper, "Learning to Drive", which I have in front of me. It was published in May, and it is out for consultation until 8 September. When it was published, the Minister told me of the Government's general line. He said that the Government's

> "proposed approach is one based on education and incentivisation, rather than restriction…We believe the evidence supports this approach".

I am not entirely sure that it does. I reread the Transport Committee's report on novice drivers. The evidence submitted by the Department for Transport to the Committee said:

> "There is little research evidence that increased formal driver training improves safety."

Obviously, formal training makes a difference—I am not suggesting that it does not—but it must be part of a basket of measures if we are to bring down the terrible toll of carnage on our roads.

Mrs. Ellman: My hon. Friend is correct in pointing to a section of the Committee's report that referred to a particular type of training, but the Committee also recommended that there should be a change in how the driving test is conducted, and that it should be possible to pass the test only if the driver has experience of driving in a wide range of conditions. That was an important part of our report.

Mr. Prentice: Indeed. The Government have listened to much of what the Transport Committee said, and I do not want to suggest otherwise. What is my position? I want conditional or graduated driving licences that prohibit night-time driving, driving with passengers or driving on the motorway until competence is built up over time.

I am a bit of a hard-liner in my views on this issue, unlike other issues. I want the effective driving age to be raised to 18. I am not alone in thinking that. The British School of Motoring, which was very interested in speaking to me yesterday when it found out that I had secured this debate, calls for a graduated licensing scheme, with "P" licence plates displayed on the vehicle during the probationary period.

Mr. John Leech (Manchester, Withington) (LD): If the Government are not keen on graduated driving licences, could the insurance industry take a lead? There was a pilot for "pay as you drive" insurance discouraging evening driving by young people and allowing them to have lower premiums. Young people are often discouraged from driving by high premiums because they are such a high risk. If the insurance companies were to introduce "pay as you drive" insurance to restrict evening and night driving, and driving with passengers at night, they could reduce premiums and the number of accidents.

Mr. Prentice: Indeed, but it raises the question: how would that be enforced to prevent people from driving without insurance and so on and so forth? The Government propose publishing another consultation document shortly on the enforcement of driving regulations. However, it is true that the industry is looking very closely at the hon. Gentleman's main suggestion, and I think that it will tailor its premiums to advantage those categories of drivers less likely to have an accident. I think the consultation paper picks up on that, and I know the Government are working closely with the insurance industry.

I do not know how young people afford some of these premiums—of £1,000 and £1,200.

Mr. Leech: More than the cost of the car.

Mr. Prentice: Indeed. I just do not know how they afford it. But they do—they get the money from somewhere.

Before the Member intervened on me I was talking about graduated licensing, which is not unheard of. Some states in the US have such licences, as too do Canada, Australia, New Zealand, Sweden, Norway, Finland, France and even Northern Ireland. There is a template, and we can see how it works overseas. It does not need to be piloted. We know that it works to bring down road deaths.

I mentioned Gwyneth Dunwoody earlier, who spoke in this Chamber on 7 February about her report on novice drivers. Her Committee called for some restrictions on new drivers, but unfortunately those recommendations were rejected by the Government. Her Committee also wanted restrictions on novice drivers carrying passengers aged between 10 and 20 between 11 o'clock at night and 5 o'clock in the morning, which sounds draconian, but as we know from the facts that is when many accidents take place.

Janet Anderson (Rossendale and Darwen) (Lab): I congratulate my hon. Friend on securing this debate on an important issue in our part of east Lancashire, as we know from the *Lancashire Telegraph* campaign. He is now moving on to other types of restrictions, but can he confirm that as well as the graduated licences, some of those restrictions are in place in other countries?

Mr. Prentice: Indeed. I was making the point that we can look to sister democracies—Canada is a very good example—to see what was advocated by the Transport Committee actually working.

The Committee called for the minimum age for holding a full driving licence to be raised to 18, with which I agree. When Gwyneth was here, she said that if people flouted the rules, which they do, there should be harsh penalties including forfeiture—the car being taken away. If I had my way, it would be squashed to the size of 1 sq m and handed back to the person. There must be a real deterrent.

I shall finish with a few words about what is happening in east Lancashire, where the Transport Committee's recommendations were very widely welcomed, most notably by the major regional daily, the *Lancashire Telegraph*, which covers a sub-region of 500,000. When it speaks, people listen—I am not saying that because there is a reporter from the *Telegraph* behind me. Even the Secretary of State for Justice and Lord Chancellor listens. The wasted lives campaign was launched in April 2007 and has been going ever since. I put a question to my Friend the Minister about fatalities in east Lancashire, the statistics for which are probably as bad as, and perhaps even worse than, elsewhere in the country. He told me that, between 2000 and 2006, there were 22 male fatalities and three female fatalities resulting from accidents involving a young male driver—21 years old or under. However, where the car was driven by a young woman, there were no male fatalities and only one female fatality. That underlines the difference that gender makes. The problem is not with young women, but almost exclusively with young men.

The *Lancashire Telegraph* called for a new approach, and its campaign was supported by all my colleagues from east Lancashire—the Member for Ribble Valley (Mr. Evans), who could not be here this morning, and my Friends the Members for Hyndburn, for Rossendale and Darwen, for Burnley (Kitty Ussher) and the Justice Secretary. I hope that I have not missed anyone out. The Justice Secretary is an influential man in the Government, and I want him to press the case with the Transport Secretary.

A couple of months ago I had lunch with the editor of the *Lancashire Telegraph*, and I asked him how the wasted lives campaign began. He said that—these are my words, not his—he just got sickened and appalled, and dreaded going into the office on a Monday morning knowing that the paper would have to report some terrible carnage that had occurred on the roads in east

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Lancashire. It was his and his colleagues' job to write them up. These are the kind of headlines that he was talking about: "Man, 24, dies in crash: garage worker battled to save trapped driver", "Another Friday night, another senseless car crash", "Not Again", "It ruins lives"—so it goes on. It is an endless stream of horror stories.

The six MPs in east Lancashire are all signed up to the *Lancashire Telegraph* campaign, and have been reported and quoted in the paper as saying so. We, the *Telegraph* and the people of east Lancashire want graduated licences in two parts. Part one could be granted at age 17, but with restrictions, so that a 17-year-old could not drive on a motorway without an instructor, would have to adhere to a 50 mph maximum on all other roads, and could only drive cars limited to 80 bhp—brake horsepower—which I am told is something like a Ford Focus. Furthermore, crucially, these young people could not drive with passengers aged between 10 and 25 until they passed part two, which would be taken a year later at age 18. We think that the effective age at which a full driving licence can be held should be 18.

Under our proposals, drivers aged under 25 would not be able to drive between 10 pm and 6 am until they had passed the two parts of that test, unless they were supervised by a driver aged over 25. Furthermore, the probationary plates that I mentioned earlier would be mandatory. After passing part two, drivers would be restricted to a Ford Focus equivalent car and would not be allowed to carry passengers between 10 pm and 6 am for another two years. That might sound draconian, but tragedy has touched so many families in east Lancashire that we need such measures.

I conclude with this thought—never a day goes by without something happening in the road safety sphere. We found out yesterday that new sentencing guidelines are to be issued and that there will be two new offences: causing death by careless driving and causing death by driving while unlicensed, disqualified or uninsured. Those offences are long overdue, and I hope that the Government bring them in soon. We have to get real about dangerous driving and careless driving, and I very much hope that the Government will think again.

Mr. Mike Hancock (in the Chair): Thank you, Mr. Prentice. I intend to give the Front Benchers ample time to speak, so I should like to begin the wind-ups by about 10.25 am.

10.1 am

Mark Hunter (Cheadle) (LD): It is a pleasure to have the opportunity to contribute to today's debate with you in the Chair, Mr. Hancock. I congratulate the hon. Member for Pendle (Mr. Prentice) on securing the debate. As he has said, road safety, particularly in relation to young drivers, is especially important. We have already heard many relevant statistics, but I am afraid that I shall mention a few of them again, because as the hon. Gentleman said, they bear repetition and make one think about the scale of the problem.

According to the Department for Transport, in 2006—the last year for which figures are available—2,943 people were killed on Britain's roads, 27,777 were seriously injured and 217,060 were slightly injured. Although I am extremely pleased that road deaths have fallen below 3,000 for the first time since 1926, there is no room for complacency. Members on both sides of the House will agree that there is still much to be done. In the last year for which statistics are available, almost 250,000 people, including more than 3,000 children, were killed or were seriously injured and had to face the trauma and consequences of road accidents.

The comments that we have heard so far show that this is not a simple issue. We do not want to demonise all young people, and they are not all the same, just as all middle-aged people are not the same—as this House can testify. The latest consultation appears to give us a way forward that is, broadly speaking, worthy of support, but there is no simple, magic solution or one, central way forward to these problems. We have to accept that some people will always drive recklessly, whatever the Government try to do, and that there will always be people who simply do not think or care about the lives of others around them. It is important to acknowledge that accidents just happen sometimes, but we live in a society in which, increasingly, someone always has to be to blame for a problem.

None of that detracts from the fact that more can and should be done to tackle this problem. The statistics that we have heard so much about show that young drivers are involved in more accidents than any other group of driver. One in eight car drivers is under 25, but one in four drivers who died on the roads in 2006 was under 25. So, although road deaths and injuries have fallen by a third since the mid-'90s, casualty rates for young drivers, particularly young male drivers, have not changed at all in that period. The numbers are not small. One in five car deaths on British roads involves newly qualified drivers and their passengers. I do not think that it has been acknowledged yet that newly qualified drivers are not always young drivers. In the spirit of not wanting to demonise all young people, let me point out that that statistic, which equates to more than 300 deaths a year, concerns all newly qualified drivers and their passengers.

There is no doubt that inexperience at any age is a big factor. According to DFT figures, 20 per cent. of all new drivers have an accident within six months of passing their driving test, but that is not to say—it is important to restate this—that all novice or young drivers are poor drivers. On the contrary, we are talking about the minority, and possibly a small minority, of young, novice drivers who take unnecessary risks.

Mrs. Ellman: We might, as the hon. Gentleman says, be talking about a minority of drivers, but the statistics show that there is a very high incidence of deaths of young male drivers—and, often, their passengers—against a background of generally falling accidents. Does not he accept the need to single out that particular phenomenon for special attention?

Mark Hunter: I certainly do not demur from what the hon. Lady says, and that point will be brought out in my comments. Part of the influence behind my comments today is the fact that, like many of us, I speak as a parent. I have a 19-year old boy who has not yet passed his test and a 21-year-old girl who has. These issues can be of great personal concern to hon. Members, as well to society as a whole.

David Taylor: My hon. Friend the Member for Pendle (Mr. Prentice) made a magnificent 30-minute speech, but was unable to include the potential for pass plus, the agency's suggestion for newly qualified drivers, and the possibility of using probationary or "P" plates to indicate to other road users a recently gained driving licence. Does the hon. Gentleman think that those ideas have any significant potential, or will they work only if made mandatory?

Mark Hunter: Like the hon. Member for Pendle, I am beginning to think that my speech must have been stolen in advance. I agree with the hon. Member for North-West Leicestershire (David Taylor), and I shall come to that point shortly.

As I was saying before the hon. Lady's intervention, this issue concerns a small minority of young and novice drivers who take unnecessary risks. We should recognise that the majority of such drivers want to abide by the rules, drive safely and enjoy the freedom that comes with driving. The problem that faces young drivers is that they are often hampered by a lack of adequate training and by their own inexperience. The driving test—and, indeed, driving lessons—focuses too much on controlling and manoeuvring the vehicle, whatever it might be, and not enough on driving independently and in different hazardous conditions. We need to ensure that young drivers are taught properly and gain the experience that will allow them to enjoy the independence that driving brings. We need to help them to drive consistently and safely in all conditions—particularly, as has been discussed, at night, when driving conditions can be very different.

An overhaul of the driving test and learning system is long overdue, and the proposals in the Government's learning to drive consultation, which aims to change the way in which young people learn and are tested, is a good start. Let me say that very clearly: it is a firm step in the right direction, but my concern is that it is does not yet go far enough. I certainly welcome the Government's proposal to include a broader syllabus for the driving test, including a section on independent driving, but I remain concerned that, while the new syllabus includes driving at night and in unpleasant weather conditions, the consultation does not mention whether those skills will be tested in the new exam. It would be useful if the Minister clarified that point later.

Paul Flynn: The Transport Committee's report concluded that improving skills would not result in any necessary improvement, because, often, the drivers are more skilled and their reactions are swifter than those of an older age. The heart of the problem lies in the characteristics of being an adolescent, having an audience in the car and alcohol. Improvement of skills, on which I am sure the organisations that train young drivers are very keen, does not result in reduced accidents.

Mark Hunter: I am grateful for the intervention and I take the hon. Gentleman's point, but whatever the subject that we might discuss, and on this subject, whatever stage one is at individually, one can always improve one's skills, and I do not see why that should apply any less to younger people than it might to people of our age group. When we get to a point in life at which we think that we can no longer improve, whether on our reaction times or on our skills in any sense, that is a pretty poor lookout. We should still aim to improve our skills. It is not the key to, or the only part of, the problem, but it plays a part and it is worthy of attention.

Paul Flynn: It is important that we nail that particular blind alley, because it is not a solution. The Transport Committee said that

> "a reformed education and training framework will instil a more responsible approach to driving",

but,

> "there exists little evidence that this will be adequate."

It is not the way ahead. We need some of what my hon. Friend the Member for Pendle (Mr. Prentice) called reforms, which we have been crying out for over many years, not improved training, which will have very little effect.

Mark Hunter: I thank the hon. Gentleman for his second intervention. I did hear the point the first time. For the Minister's benefit, I simply repeat my point that the new syllabus, which the consultation sets out, includes driving at night and in poor weather conditions, and my question to him was about whether there are proposals to incorporate those in the driving test.

Another proposed change that the consultation has not yet touched on is the student workbook, which is intended to track the progress of new drivers. It seems a good idea in theory, but the proposal is to make it entirely voluntary, so I wonder whether the Government have estimated the likelihood of students completing the book if it is introduced as a voluntary measure. If the idea is worth doing at all, we should probably regulate it and make it a compulsory part of the scheme, and again, if the Minister could refer to that in his response, I would be very interested in his answer. The workbook is a good idea. Students will have to complete certain tasks under supervision, including driving at night—a problem to which we have already referred. But should the workbook be entirely voluntary, and do we think that there will be sufficient take-up?

The available figures—many of which we have already heard about—prove that allowing drivers on the road with little or no experience of driving at night or in adverse weather conditions can be a fatal mistake, so I agree with the Transport Committee's report, which says that for all age groups, we need a much more carefully regulated and better organised system for learning to drive. The Government should look again at introducing a minimum learning period and a minimum number of lessons with a qualified instructor, including some lessons that would take place after the driving test had been passed.

The debate has highlighted across the piece that we are striving to reach a fine balance between ensuring that young adults, specifically, young males, can drive safely and that the costs, not just financially but generally, are not too onerous. On the financial considerations, young drivers can currently spend anything up to £1,500 to obtain a full driving licence. I should put that into context by pointing out, with some feeling, that if that person is a university student, the figure represents almost half the cost of one year's tuition. We must recognise that, for many people, the figure is prohibitively expensive, and we need to look for other ways of helping to ensure that young drivers have good driving tuition.

[Mark Hunter]

The hon. Member for North-West Leicestershire mentioned the pass plus scheme, which I understand local authorities in Wales and Scotland subsidise, so will the Minister say whether there have been any discussions about extending it and encouraging local authorities in England to do the same? It would be a useful step forward in trying to combat the problem.

David Taylor: I am grateful to the hon. Gentleman for giving way and for raising the point that I put to him a moment ago. When the Minister replies about the possibility of English local authorities acting similarly to those in Wales and Scotland, does the hon. Gentleman hope that the Minister will mention what the statistics suggest both about the scheme's success, and about the accident rates that are associated with the young drivers who undertake the pass plus training that the hon. Gentleman and I both think is very helpful?

Mark Hunter: I thank the hon. Gentleman for his further intervention. I agree absolutely and encourage the Minister to spell out more precisely the Government's attitude. There is consensus, it is a very worthwhile scheme and there is a genuine point of interest about whether it can be extended throughout England, given its success in Scotland and Wales.

I agree with many comments today in favour of the graduated licence. Although I acknowledge that there are some concerns that it might create a punitive system for all young drivers, we must face the facts that the system would protect all drivers, including young and novice drivers. In particular, I support the Transport Committee's recommendation that novice drivers be classed as such, and the proposal that they indicate their status on their vehicle seems sensible. We already have a voluntary system, and giving surrounding drivers warning that a novice is driving the vehicle in front or behind would be helpful to everybody on the road. Have the advantages been considered of making the P-plate scheme compulsory for one year after a driving test? It is currently optional, but there is a lot of support for compulsion, and it would be a small step in the right direction, making other drivers aware that they were driving in proximity to a new or probationary driver.

We have heard that drink-driving is still a massive problem on Britain's roads, with the latest figures showing that 17 per cent. of all road deaths occur when someone has been driving under the influence of alcohol. We all know that it is a particular problem among young drivers, and the Department for Transport says that drivers aged 17 to 19 years old are 10 times as likely to have a drink-drive crash as all other ages, but I must say — this will not go down well with every Member who has contributed to the debate — that I am not yet convinced that it means that we should lower the alcohol limit to zero for young and novice drivers.

David Taylor *rose—*

Mark Hunter: If the hon. Gentleman will just let me make my point, I will allow him to intervene. Although I appreciate the motivation behind that suggestion, it seems to me that there is a danger that we could criminalise young people who might have consumed just a little alcohol, perhaps with a meal, and it would be wrong for them to be criminalised or stigmatised, just as it would be wrong to criminalise or stigmatise anybody else for doing the same thing.

Our view would be that a better idea is to call for a reduction in the drink-drive limit for all drivers, to bring it into line with most of the rest of Europe. That would be a reduction from 80 mg of alcohol per 100 ml of blood to 50 mg.

On that point, I will give way to the hon. Gentleman.

David Taylor: I am grateful to the hon. Gentleman for giving way, and I agree most strongly with his point that we should not make an exception for young people in relation to alcohol limits for driving, because the statistics indicate, and my own experience bears them out, that younger drivers in a generality are more likely to take a very strict attitude to alcohol before they drive; they are much more likely to do so than some males in older age groups. So we must be careful on this issue.

Mark Hunter: I thank the hon. Gentleman for his intervention; I am pleased to see that we are at one on that particular point.

My suggestion to reduce the drink-drive limit for everyone from 80 mg to 50 mg is backed up by independently collected statistics. Hon. Members may be aware that University college in London has done some detailed research on this issue and it estimates that the proposed reduction could prevent up to 65 deaths and 230 injuries each year. So I think that the facts speak for themselves in support of that reduction.

Finally, we should not forget the very important role that the insurance companies can play in incentivising and encouraging young drivers to get as much training and experience as possible, and rewarding them for doing so. It seems to me that, at the moment, the insurance companies charge young people, especially young male drivers, very substantial premiums; I speak with some knowledge on this subject. I would welcome details about the Government's work, which I know is going on, to encourage insurance companies to reduce premiums for those drivers who can demonstrate that they have had more training and more development. Again, I invite the Minister to comment further on how far the Government's discussions with insurance companies are progressing and to say when we might be likely to see such incentives come into place.

So I believe that the problem of young and novice drivers, particularly young male drivers, is a serious issue and it needs a serious solution. The consultation paper proposed by the Government is useful; it is certainly a step in the right direction and it will undoubtedly help. However, I am not entirely convinced that it goes far enough quickly enough. Frankly, we need action on this issue now, not in another five years' time.

Mr. Hancock (in the Chair): Mr. Hunter, it is just as well that we did not have other hon. Members who wanted to speak, but it is always a pleasure to have the time filled with useful comments.

10.23 am

Mr. Robert Goodwill (Scarborough and Whitby) (Con): I congratulate the hon. Member for Pendle (Mr. Prentice) on securing this debate. It is the second time that we have debated this particular issue in Westminster Hall this year, which indicates the importance that our constituents attach to it.

I join the hon. Gentleman in congratulating the Minister and the Government on the part that they have played in reducing the grim statistics on road deaths. We have come a long way, but there is still further distance to go, as I am sure we all agree. Furthermore, people expect us to work together as Members of Parliament to try to address this particular problem; it is not an issue for party political bickering.

Last Tuesday, the sixth form of Malton comprehensive school in Scarborough closed for the day. The reason was that all the sixth formers were attending the funeral of Tom Warrington, who was 18 and had been a pupil at the school. At 7.40 am on Sunday 29 June, on the road between Goathland and Beck Hole in my constituency, his red Renault Clio left the road and hit a tree. He was killed and his passenger, another young man, was airlifted to James Cook university hospital in Teesside after sustaining serious injuries.

Tom used to live in my village. He was always known as a daredevil on his bicycle. My wife told me this morning that she could remember him cycling off the roof of the village hall in our village. He knew no fear. He was just starting out on life's big adventure, only to have his young life snuffed out. My son attended Tom's funeral, along with many friends, and I think it brought home to them in a unique way just what the risks are of driving when speed is perhaps excessive or perhaps the road conditions are unexpected, or when something else has gone wrong.

Only the other month, my next door neighbour's daughter wrote off her car; she is a young driver learning to drive. Another friend of Tom's who attended the funeral, and had previously bragged about rolling his Vauxhall Corsa, suddenly realised that it could have been him in the coffin. When we educate our children about the dangers on the road, we need to bring home to them this message—they need to be aware that a car is a very dangerous piece of equipment.

Tom Warrington was just one statistic among many. We have heard other statistics from east Lancashire. We have heard about the accident near Melton Mowbray, on the A607, when six young people were killed at 2 o'clock in the morning. After that accident, the father of the driver was quoted on the BBC as saying:

> "Kids of today like a bit of fun and excitement."

Fun and excitement can often turn to tragedy.

It is no consolation to know that we have some of the safest roads in Europe and that several factors have contributed to reducing the death toll on our roads. For example, car design is better, but of course young people tend to be in older cars that may not have air bags, or in smaller cars. I would certainly be reluctant to limit the size of car that young people can drive. I did not have my own car until I was 21. I drove our family car, a Land Rover, which had an engine larger than the size proposed by the hon. Member for Pendle as a limit for young people. If I could not have driven our Land Rover, I would have needed a car of my own and I would have done a lot more driving, including a lot more driving at night. We need to be careful in that regard. Furthermore, we need to bear in mind that there are many people whose work requires the use of a car, and if it is agricultural work, the vehicle needs to be a 4x4 and not a Ford Fiesta, which might have some trouble getting to the ewe lambing at the far end of the field.

We have done a lot in terms of road design and road improvements, and I know that the Government are tackling both congestion and accident black spots. We are also looking at how driver training can be improved. I welcome the Government's consultation on that matter.

Paul Flynn: The hon. Gentleman would probably agree that the two great improvements in road safety in recent years have been the courageous introduction of compulsory seat belts and the introduction of the breathalyser, both in the teeth of public opposition. What bold plans on road safety does his party have?

Mr. Goodwill: Those initiatives may have been seen as bold plans when they were introduced, but they are seen as plain common sense nowadays. The use of motorcycle helmets is another example; that is something else that people see as just plain common sense.

We certainly want to address the issue of driver safety and to look at how we can change the attitudes of drivers, because driver safety is not just about drivers' skills. In fact, some of the evidence that I have seen shows that the young men who fly through their driving test with flying colours are the drivers killed in accidents, not the drivers who have difficulty passing their tests, possibly including the nervous girls who fail their test because they are an absolute bundle of nerves. If we make the test harder, we need to be very careful that we do not prevent those types of people from passing it; they may ultimately be the girlfriend driving the car rather than the boyfriend who has passed his test with flying colours and who, judging by the statistics that I have seen, would be more likely to be a dangerous driver.

We also need to address the drink-drive limit, and my party is looking closely at the evidence on that issue. I certainly do not support those who advocate a zero alcohol limit; there are all sorts of issues about that proposal, particularly in respect of people driving the morning after they have been drinking. Certainly, people should be aware that if they have had a drink the night before they may be over the limit the morning after, but there needs to be some degree of balance in setting the alcohol limit.

It is also very important indeed that, unlike other European Union countries that have lower alcohol limits, we do not have a lower penalty. In many EU countries, getting caught at the lower alcohol limit is equivalent to being caught speeding in the UK; drivers get points on their licence and are fined. The evidence from our country shows that the threat of points and a fine does not stop people speeding; record numbers of people are being caught speeding. We need to look at whether we can fine-tune the drink-drive limit to target people who are not only learning to drive and getting experience of driving but also learning to use alcohol responsibly.

Many young men see themselves as good drivers, and it is difficult for various reasons to get it through to them that, in fact, nobody is a perfect driver—that anyone could be a statistic. I am rather nervous about saying this, but I am critical of some of the media; for example, people such as Jeremy Clarkson, who glorify

[Mr. Goodwill]

speed and danger. Many of his road tests take place on airfields and off the public roads, but there is no doubt that many young men see him as a role model and may indulge in reckless behaviour that they would not otherwise indulge in. In many cases, those young men's perception of their abilities exceeds their abilities.

Another way to move forward is to improve people's awareness of hazards. I have accepted an invitation from the British School of Motoring to try one of its hazard awareness simulators next week. In many cases, such training tends to involve town driving, but we must not forget that many fatal accidents do not happen in towns, on roads with speed cameras or on motorways, which are our safest roads; they happen on country roads where a tree on a corner can cause disaster.

Should we make the driving test harder? We need to be careful about that. We must ensure that we test not just basic skills but the attitudes that often lead to disaster. I hope that the consultation comes up with suggestions that we can support. We are dubious about the 12-month learning period, which, in effect, would make the driving age 18. Many young people—certainly those in rural areas—rely on a car to get to school or work. Any policies that the Government introduce must be rural-proofed, because not everybody lives on a bus route. Not everybody can access their work or education using public transport.

It is important that people have experience of various driving conditions, but we must bear in mind that while some young learners will have access to a family car and will be able to get experience in that way, others get driving experience only with a qualified driving instructor. We must ensure that the cost of getting experience is not so prohibitive that it prevents them from learning to drive.

We can learn lessons from other countries. Sweden, for example, has an enviable road safety record. It uses a matrix to outline driving tasks and correlate them with driving skills and competencies. The aim is to

> "make learner drivers realise their own limitations and thus counteract overestimation of own ability and skill. A second aspect is to become aware of the influence of personal preconditions, social norms and motivational factors on driving behaviour and risk. Yet another aspect is the concept of risk perception and risk awareness".

Those are all important matters to bear in mind.

An issue that has not been raised today is motorcycling, which comes under driving. If we make it harder for people to learn to drive and make it more expensive to use cars, people will often revert to using motorcycles or mopeds to get to work. As we all know, motorcyclists make up 1 per cent. of road traffic but 19 per cent. of fatalities. Motorcyclists are vulnerable, so I would be concerned if anything that we did forced more young people to use motorcycles rather than cars for journeys that may be dangerous.

It is not just the born-again bikers we read about in the papers—the 40 and 50-year-olds who buy a 750 cc bike and go back to motorcycling—but the many young people who rely on motorcycles to get to work. If I have one criticism of the Government, it is the way that the new motorcycle driving test will be administered after 28 September, and the long distances that people will be expected to travel to take the test—and not only to take the test: it is human nature to want to practise in the town where they will take the test and to get used to the routes, particularly if, as the Minister has suggested, they will be told to "Go to the station" rather than simply "Turn left at the next junction". If I had never been to Hull before, I would be petrified if the examiner said, "Go to the station," because I would not have a clue where it was. I have heard what the Minister has said on previous occasions about not testing people's ability to drive around a driving course, but people will want to take their lessons in the place where the test will be given. In my constituency, for example, a 50-mile trip to Hull—or even farther to Darlington—may discourage many young people from taking the test and lessons, particularly in bad weather conditions and they are on a small moped and do not fancy driving along a main road with lorries thundering past.

I hope that such things will not be borne out by the statistics in the autumn, but I predict that many young people will not take the driving test or the instruction that they need. They will take the compulsory basic training and drive on L-plates for two years. At the end of that time, if they still want to ride a motorcycle, they will take the compulsory basic training again. I hope that I am wrong, but I expect that after September there will be a dramatic decline in the number of young people taking driving tests, and thus fewer well-qualified and well-trained people on our roads.

We are told that because the Department missed the fact that 50 kph is over 30 mph, the driving test could no longer be carried out on public roads. The majority of roads around driving test centres are in built-up areas with a speed limit. It is unrealistic to expect people to make long journeys to the new test centres. For example, there will not be a test centre on the Isle of Wight, which means that a ferry journey will be required.

As I said before, we are considering whether there is a case for lower alcohol limits for young drivers, and we are determined that the punishment for drink driving should continue to be a ban. We should not water down the approach to drink driving—drivers might think that it had been demoted to speeding.

I hope that we will be able to engage constructively with the Government. We welcome the consultation, and we think that there are some good ideas; for example, the driver's logbook, and allowing drivers to experience night driving and driving in the rain and so on. However, we should be aware of the risk of taking a something-must-be-done attitude and doing something that looks as though it should work but may not work in practice. That has happened too often. I hope that the consultation will not fall into that trap, and that the Government will introduce evidence-based proposals.

I also hope that the insurance industry will play its part. Many young people take the pass plus test not because they want to be better drivers but because they want lower premiums, and pay-as-you-drive schemes make it prohibitively expensive for young people to drive at night.

I welcome this opportunity to discuss the issue, and I hope that the proposals that emerge from the consultation on driver testing will be constructive and that we will be able to support many of them.

10.37 am

The Parliamentary Under-Secretary of State for Transport (Jim Fitzpatrick): It is a pleasure to see you presiding over this debate, Mr. Hancock.

I congratulate my hon. Friend the Member for Pendle (Mr. Prentice) on raising this important issue. I wish to join him in congratulating all those associated with the falling casualty figures on their hard work: officials in the Department, the police and other emergency services, the Vehicle and Operator Services Agency, local authorities, the drivers themselves, and others, including the Transport Committee, several of whose distinguished members have contributed to this debate. The Transport Committee has kindly invited me to its meeting this afternoon to discuss the new statistics, and I am looking forward to doing so.

I endorse the comment by the hon. Member for Scarborough and Whitby (Mr. Goodwill) that this issue is, and should be, above party politics. I am reassured that hon. Members from all parties are exercised by the dreadful statistics and are interested in improving road safety. We have had two debates on this important subject in this Session. My hon. Friend the Member for Dumfries and Galloway (Mr. Brown) raised it last October, and the late Gwyneth Dunwoody prompted a further debate in March. The Government share the concerns expressed in this and earlier debates, and by the Select Committee.

As my hon. Friend the Member for Pendle said, we announced last month that provisional figures show that road fatalities fell below 3,000 for the first time last year. That is progress, but it is still a terrible toll. We are working on a new strategy designed to drive fatalities down much further in the coming years, and it must include new measures for young people. Provisional 2007 casualty figures are the best for young drivers in at least 10 years. Fatalities in accidents involving at least one driver aged 17 to 24 are down by 8 per cent. in 2007, and fatalities for drivers in that age group are down by 12 per cent. The figures are still dreadful, but I hope that we can build on that welcome improvement. We commonly speak about accidents—I used to do so before becoming road safety Minister—but, personally, I talk about crashes now.

Paul Flynn: In her final remarks to the Transport Committee, Gwyneth Dunwoody mentioned the urgency of the matter to the Minister. I still say we are asking for urgency, a timetable, a result and a response. Will he tell us today—I am sure he will repeat many of the things said in previous debates about current plans—that the Government will take a bold decision on this matter and, taking on the possible outcry, introduce reforms that will, for the first time ever, reduce the entirely avoidable scourge of young deaths on the road?

Jim Fitzpatrick: I hope that we will be able to achieve the objective that my hon. Friend the Member for Newport, West (Paul Flynn) mentions of saving more young lives. The previous Chair of the Transport Committee exhorted us to take into account the urgency of the situation. The proposals we published in our "Learning to Drive" document were awaited by people for some time, which held up progress to this kind of discussion. However, we published that document within weeks of the debate in the Transport Committee. It is in the public domain and it will clearly allow us to arrive at conclusions. Whether we grasp the nettle to which my hon. Friend alluded—I shall come to some of the points he made in a moment—the objective is to improve the situation still further.

As I said, before becoming Minister for road safety I used to talk about accidents, but now I talk about crashes. Too many people who become casualties have not followed basic rules. For example, my hon. Friends the Members for Pendle and for Newport, West, mentioned seat belts. Research suggests that road fatalities have been cut by about 1,000 every year by the requirement for wearing a seat belt, but a quarter of vehicle occupants involved in fatalities did not use seat belts. Research demonstrates that up to two-thirds of those people might otherwise survive. Car loads of young people are among those with especially low belt-wearing rates: too many pay a tragic price for neglecting to do so, and we plan a new campaign in October to address that challenge.

Turning to our reforms, there is a strong case for overhauling the way in which people learn to drive and the way in which we test their skills. We must ensure that new drivers can deal with the challenge of driving alone. We know, from talking to young people, that the vast majority want to be safe and responsible, but we do not give them the tools to do so. Too many of them overestimate their abilities. They are impatient to strike out on their own, but that does not mean that they intend to be reckless or unsafe—far from it; the vast majority of young drivers are safe and responsible.

The present driving test is too narrowly focused: the fundamentals go back to the 1930s. The mechanics of manoeuvring a car are important, but there is a lot more to driving on crowded modern roads. We plan a new approach based on improved education, better testing and real incentives to continue learning after the test. We want to change the driving test to base it on a new, comprehensive guide to what makes drivers safe. We want to update the theory test and the hazard perception test to encourage broader learning and test understanding of safe driving. We want the practical test to be better at assessing whether people are ready to drive unsupervised. We are considering splitting the theory and practical tests into modules, to enable learners to pass elements of the test as they learn. We want to provide people with better feedback throughout the testing process. Young people have told us that they want to learn about driving and using the road before they get behind the wheel, so we are developing a foundation course in safe road use, aimed at young people still in school.

On average, learners spend about £1,500 learning to drive, which is a big outlay for young people, who are keen to get better value. Young people complain that learners do not have sufficient information to plan their training properly or to choose the best driving instructor available. We will give learners a better idea of what is required through a new syllabus, which will also help instructors and others who are helping learners to practise, and a workbook to give them a much better understanding of what they need to learn and why. We want to encourage people to demonstrate that they have driven in a wide range of conditions such as at night or in bad weather. The hon. Member for Cheadle (Mark Hunter) raised

[Jim Fitzpatrick]

both those points, and I will return to them when I respond, at the end of my speech, to comments made in the debate.

I commend the pre-pass support scheme developed by Lancashire county council, which is just the sort of positive measure we seek to help learners and the family members who are helping them with driving practice. We want to give learners better information about driving instructors through a star rating system, so that they do not have to rely on family and friends for recommendations. We are reviewing the way in which instructors are trained and tested, before they qualify and after they are registered, to help them all to offer the best tuition possible.

The practical test is seen as the end of formal learning, and learners are not encouraged to continue developing their skills. We want to create incentives to learn in new ways, both pre- and post-test, to gain bankable additional qualifications. We want to develop additional qualifications to supplement the driving licence, working with employers and insurers. Our consultation document explains why we are not proposing restrictions on newly qualified drivers. Briefly, if we have to impose restrictions on people after they have passed their driving test, we have failed to train and test them properly. I recognise that newly qualified drivers have too many accidents.

Mr. Prentice: The British School of Motoring, which knows about these things, tells us that the most sensible way to reduce accidents in the newly qualified driver group would be to have a graduated licence scheme. That is what the instructors are saying. Why does my hon. Friend the Minister repudiate that advice?

Jim Fitzpatrick: My hon. Friend mentions that driving organisation; he also described measures in other countries. The hon. Member for Scarborough and Whitby spoke about the provisions in Sweden. Some countries that my hon. Friend mentioned do not have graduated licences and those that do, which we have looked at—the USA, Canada, Australia and New Zealand—have graduated driving systems. However, those countries have not cracked the challenge of young drivers and, although they have introduced those systems, their statistics are not going in the direction in which ours are going. We are open to argument during the consultation, but, despite the BSM's opinion, we are not convinced that the evidence from other countries that have the types of schemes that my hon. Friend mentioned and which the Transport Committee has proposed, shows that they work in practice. That is where we are at the moment with the consultation scheme.

Our consultation document explains why we are not proposing restrictions on newly qualified drivers. I recognise that such drivers have too many accidents, but many of those are down to inexperience and ineffective learning. That is best addressed by changing the way in which we train and test people. It is unfair to penalise all young people, most of whom want to be—and are—safe and responsible drivers, with measures aimed at a minority who flout the basic rules that are already in place. I accept that there is a minority who drive badly—speeding, drink-driving and driving unlicensed and uninsured. We hope to educate young people about the risks of such behaviour. However, we will not tolerate the dangerous behaviour of those who do not listen to that advice. We are talking to the police and other partners who deliver road safety about how we can tackle that minority more effectively, without imposing unfair and disproportionate penalties on everybody.

We are making the consultation exercise as inclusive as possible, and it is open for responses until 8 September. We are running a series of open meetings, and we plan other events to gather the views of young people and other interested parties. Whatever the conclusion, the Driving Standards Agency is preparing plans to implement both the proposals that we decide to pursue and the way forward. That major programme of change will take several years to complete. As I said in the previous debate, young people value being able to drive and they deserve a fit-for-purpose driver training and assessment system, so that they can enjoy that important freedom safely. The hon. Member for Cheadle asked about people being tested in all conditions.

Paul Flynn: The Minister has just said that that will take several years to complete. I think that that chilled the blood of many hon. Members in the Chamber, because we are calling for a measure that will come into force quickly. I think that the evidence is there. However, I do not see the evidence for improving skills that will reduce these accidents. We know that there is a particular problem involving young men drinking alcohol at weekends. That has to be tackled with the courage of previous holders of the Minister's post, who introduced measures such as the breath test and compulsory seat belting. If we go on consulting, tragedies will keep on occurring and we will read about them in our newspapers every Monday. Is it not time for a courageous decision by Government?

Jim Fitzpatrick: A moment ago, I said to my hon. Friend that we are persuaded that introducing such restrictions at a stroke will not have the effect that he suggests. The measures that we propose in our consultation document include the educational qualification, changing the way in which people are trained, the star-rating system, the professional career development scheme for approved driving instructors and examining people in a different way, all of which will take time to roll out and have to be piloted. That does not mean for a second that we are wasting any time in our efforts to push these statistics down further. The fact that the figures have been moving in the right direction for the past 12 months is encouraging, but no more than that, because for several years they hit a plateau.

We know that we have some of the safest roads in the world. After last year's statistics, we are back in second place in Europe, after Sweden. We are in contact with other European partners—particularly Sweden, the Netherlands and Norway—which have good safety records to ensure that we share best practice and information and that we use that intelligence and develop it. We are about to launch our consultation on the post-2010 strategy. Our 10-year strategy from 2000 to 2010 was to reduce by 40 per cent. the number of adults killed or seriously injured on the roads, and to reduce by 50 per cent. the number of children killed or seriously injured. We have achieved the reduction in child deaths and serious injuries. We are on track to achieve the reduction in adult deaths and serious injuries.

We will consult on the next strategy and consider whether we should adopt the Swedish model of zero tolerance to road deaths. However, such a policy runs counter to British philosophy, which says that there is no point in setting a zero target because we know that we will not achieve it. Perhaps we should be more pragmatic. Let us set a target similar to that in Holland, which focuses on sustainable safety. We should consider whether we have a 10-year or a five-year strategy, and whether we separate deaths from serious injuries. The rates for serious injuries have been falling quite quickly, unlike those for deaths.

The Road Safety Foundation raised a number of questions on the matter last week. The hon. Member for Scarborough and Whitby and I attended a launch, with other hon. Members, which focused on road safety design and engineering particularly on rural roads, on which so many crashes are taking place, including the crash that my hon. Friend the Member for Newport, West mentioned at the beginning of his speech. Road safety engineering is a method of bringing such figures down more quickly.

Mr. Prentice: I think that my friend is in danger of overcomplicating things. The fact is, there is a downward trend in accidents, deaths and injuries. We accept that and we have said that. The exception is young people, specifically young men. I am not asking the Minister to reveal the secret inner working of government, but has he had a conversation with the Secretary of State for Justice, my friend the Member for Blackburn (Mr. Straw), about his proposals, and if he has, is the Secretary of State on board regarding his proposals?

Jim Fitzpatrick: I personally have not had a discussion with our right hon. Friend. However, the consultation document has been cleared across government. It is a Government consultation document, so the Department would have been cited. Certainly the Secretary of State for Transport, meets our right hon. Friend the Justice Secretary on at least a weekly basis in Cabinet and they have direct discussions on matters of mutual interest. I know that at departmental level, official level, and at a level above my pay grade, such meetings are taking place, but I cannot say that I personally have met the Secretary of State for Justice.

To return to the point made by the hon. Member for Cheadle, who asked about testing in all conditions, we are considering how wider knowledge and skills can be tested, not just in the practical road test but in a modern computer-based test as well. We cannot run all driving tests at night or wait for rain and snow. However, any question about breaking up the tests is a matter for consultation. The hon. Gentleman also asked about research on the scope and status of the proposed workbook. Young people tell us that they welcome the means to structure their learning up to and after the test. That is how they learn other vocational skills, so we are considering how best to deal with that.

My hon. Friend the Member for North-West Leicestershire (David Taylor) and the hon. Member for Cheadle both asked about pass plus. We recognise the need to review and reform pass plus, as the scheme does not demonstrate any benefit to road safety. There were some initial gains, but insurance companies are cooling towards it, because it does not provide the benefits that they expected. With regard to reduced premiums for young drivers, the insurance companies say that they are interested in the "Learning to Drive" consultation paper because if it produces safer drivers, it will allow them to reduce premiums, which are high because they have to pay out so much money as a result of crashes. That is led by the evidence to a certain extent, but insurers are fully involved and interested in the consultation.

The hon. Member for Scarborough and Whitby raised the issue of motorcyclists. I may be wrong, but, from memory, I think that 599 were killed in 2006, and 588 in 2007. We have taken some very positive steps. We set up a national advisory board, which meets on a quarterly basis. Last month, we launched a new safety rating for helmets, which will prevent about 50 deaths a year. We advise motorists on the safest helmet for their particular needs. I heard what the hon. Gentleman says about his concern about travel distances, and we will watch that. He acknowledges that what we are trying to do in the more rigorous and robust tests is to make motorcyclists safer, just as we are doing for all drivers. However, I acknowledge that most motorcyclists are victims of road crashes, not the cause.

In conclusion, I return to the main issue. Hon. Members have said that we should single out young male drivers for special attention. That is not what the restrictions will do; they will restrict all young drivers, including young women. I have stressed that we are still consulting on the matter and we have outlined our recommendations. However, we are listening. This is a life-and-death issue, and I can assure hon. Members that we will continue to work across the House, within the Department and with all the agencies as hard as possible to push the horrendous figures down further. I will take the opportunity to say that we are about to consult on our post-2010 road safety strategy and would welcome any contribution from right hon. and hon. Members.

Mr. Mike Hancock (in the Chair): I thank the Minister, the hon. Member for Pendle (Mr. Prentice), and everyone else here for the courteous way in which the debate was handled, and for a very interesting debate. As we have the Under-Secretary of State for Work and Pensions, the hon. Member for Stirling (Mrs. McGuire) and the hon. Member for Blaydon (Mr. Anderson) with us, we can proceed with the next debate. All those who are leaving, please do so quietly and speedily.

9

Young People with Disabilities

10.58 am

Mr. David Anderson (Blaydon) (Lab): When I applied for this debate, which was only publicised last week, I did so as the chair of the all-party group on muscular dystrophy. Despite that, I was inundated by children's campaigners from Mencap, Whizz-Kidz, epilepsy support groups and Every Disabled Child Matters. They all wanted me to raise their issues here today. I explained that because of the time constraints, that was not possible. However, the needs that I will raise today are linked, and may be addressed by some of the issues that we will discuss today. The fact that I do not go into any detail about the diseases does not mean that those campaigners do not have a genuine case that should be listened to by Government.

Within the all-party group on muscular dystrophy, we have worked very hard. I became a chair of the organisation three years ago. We have done a lot of good work with Government and have persuaded them to give us money for research to try to find a cure. In particular, we have discussed the lack of support across the country. In certain areas of excellence, particularly Newcastle and London, people who suffer from these problems get a much better deal than those in the rest of the country.

I shall consider the issue of the quality of life for people who suffer from these diseases and also how we can give our young people the best possible opportunity to make their way in life. I shall also consider how they can be given access to as normal a life as possible because quite clearly the young people who are affected by these diseases cannot live the normal life that most people in this room have. It is our responsibility to go as far as we can to make sure that their life is as good as possible and of the best quality.

What are we talking about? What is the scale of muscular disease in this country? There are more than 60 different types of muscular dystrophy and related neuromuscular conditions in the UK. It is estimated that for every 1 million of the population, more than 1,000 children and adults are affected by muscle-wasting diseases in the UK. Those disorders can be genetic or acquired. A number of the conditions, such as Duchenne muscular dystrophy, hit young boys very hard and are particularly aggressive. They cause progressive muscle wasting, weakness, orthopaedic deformity, cardiac and respiratory compromise, and result in premature death. Many young boys in this country—two a week—are dying before they get beyond their teens. That is quite simply unacceptable.

Other types of the disease cause long-term and lifelong disability for many people. Some disorders can present in childhood or in young adult life; others have late onset conditions in adulthood. However, the sad reality for those suffering from all these diseases is that there is no cure, which is even more reason for us to do everything that we can to make life as good as possible for such people.

It has been shown that a lack of specialist diagnosis, treatment and care for these conditions, particularly for people with life-limiting conditions, can negatively affect their life expectancy. On the other hand, where neuromuscular specialist services are available, they have a real impact on quality of life—even if they do not necessarily improve life expectancy. Another common factor associated with the disease is that patients almost always have heart-related problems. Muscle weakness is also often associated with poor ventilatory ability and respiratory failure, which is often overlooked by professionals, who are unfamiliar with the conditions. I do not wish to criticise those professionals; that is just the reality of what we are dealing with. Pain management is a common feature of the daily life of those suffering from such conditions and can cause nerve deterioration.

Despite the above points, neuromuscular services are not yet recognised as specialist services by the Department of Health. That is one of the things that we in the all-party group on muscular dystrophy are strongly arguing and campaigning for. In September last year, the Muscular Dystrophy Campaign published findings taken from interviews with young adults living with these conditions. Those findings resulted in the launch of a new campaign called "Bridging the Gap", which aims to improve the transition into adulthood for young people and ensure that it is as smooth as possible, particularly for those suffering from these diseases and neuromuscular conditions. We, as a society, need to do all we can to ensure that the young people inflicted with these conditions are provided with the best possible access to appropriate work experience, proper training, higher and further education and good quality employment. Those for whom paid work is not an option should be given valued activities.

Sharp research—an independent research agency—interviewed 20 young people with the condition about their university plans and the experiences they have had. The list is in the report, but I shall mention some of the findings. Students found it difficult to find employment during university holidays. Some social services departments had little idea about how to implement feasible care packages for disabled students going away to university. Students who remained at home because of that felt that they had missed out on key parts of university life. The short time between A-levels and the start of a term sometimes caused delays because universities only started to make adjustments once they knew disabled students would definitely be attending that place of learning. Many universities reported that there was a huge amount to organise and their No. 1 plea is, "Help us to plan early for others coming along."

Following the success of last year's campaign, the charity was awarded £250,000 by V—the youth volunteering charity—to set up a young network of campaigners across Britain. Yesterday, the Muscular Dystrophy Campaign launched the new campaigners' network, Trailblazers, at the annual general meeting of the all-party group on muscular dystrophy. Trailblazers aims to be part of the antidote to the problems identified in "Bridging the Gap" interviews by providing a real voice to young people with neuromuscular conditions.

The Trailblazers network has 12 regional campaign groups that are led and run by young people with these conditions and other disabilities. The groups will identify, research, report and campaign on issues that are important to them in their region. Our vision is to ensure that all young people with these conditions can access work experience, training, higher and further education, and quality employment.

The challenge facing the Government and us as a society is huge. Those people involved with the issue are very aware of the skills gap in this country. The reality is that by 2020 few people who do not have sills will be able to get into work. It is estimated that by 2020, 40 per cent. of jobs will require people to have at least a level 5 qualification before they can get a foot through the door. As of last year, 40 per cent. of disabled people had no qualifications at all. That is the size of the problem we face. Out of all the people not in work, 40 per cent. have a disability or a long-term health condition. The number of disabled adults of working age living in relative poverty has increased during the past decade. More than one third of all people in this country with no formal qualifications are disabled. In fact, figures from the Minister's own Department show that the current employment rate of disabled people is only 50 per cent. compared with 74 per cent. for non-disabled people.

For disabled people with a higher education qualification, the "lacking but wanting work" rate of 14 per cent. is actually higher that that of non-disabled people with no qualifications at all. We must be concerned about the lack of employment opportunities for people with neuromuscular conditions. Not all disability employment advisers at job centres have adequate knowledge of these conditions—again, that is not a criticism of them personally, but of the system that they work in. There is a need to develop a small specialist team of disability employment advisers who have the knowledge and can go out and give specialist advice and support to staff in local offices.

We have to face up to the fact that, as a Government, our economic ambitions for ending child poverty and giving young people the best start in life will not be achieved without much more innovation and investment to raise the skill level of disabled people. Increasing the number of disabled people in mainstream employment will also help to achieve equality for disabled people in society overall, which is, after all, one of the ambitions of my Government.

Skills are critical to people getting on at work—as well to people getting into work and, critically, staying in work. Disabled young people want and need a highly personalised package of education, training and support that meets their individual needs. What does that mean in the real world? Judith Merry, who is 19 years old and whom I met yesterday for the first time, is in attendance today. This is what she has to say:

> "I have congenital muscular dystrophy which means that I use an electric wheelchair to get around. I am fully mobile and can think and speak for myself. I have been through both mainstream primary and secondary school successfully completed my A levels and am now at Keele University studying American Studies and International Relations. I believe that I am qualified to get a good job. From my own personal experiences I have found finding employment difficult. This is not from a lack of trying; I have applied in my local area to the supermarkets and didn't get a job with them. I found one interview experience quite off putting; the supermarket was warned about a wheel-chair user coming to the interview and to have the lift ready. I ended up having my interview in their back freezer because the lift was broken which they hadn't bothered to check. The whole experience was embarrassing and quite an ordeal, not only for me but for my sister who has the same condition as me. I didn't get the job after all the fuss I went through and neither did she. I also applied to job agencies but they weren't successful either.
>
> I have eventually found a job, but as a volunteer. This is of course not a paid job, which was what I was initially looking for. I should be able to gain equal access to employment like everyone else and not have to face any obstacles."

That is absolutely true. The process should be absolutely fair.

I shall ask the Minister four questions about the way forward. Will she agree to meet me and representatives of the campaign and the Trailblazers network to discuss the evidence uncovered in the interviews for the "Bridging the Gap" campaign? Will she do all she can to ensure that disability employment advisers build links with local schools and colleges to provide general employment advice to facilitate work experience for young people in the situation that I have described? Will she ensure that disability employment advisers use their relationship with employers actively to market the "Access to Work" scheme to ensure increased awareness of it? What will she do to ensure that the best possible support is provided to students with disabilities, so that they can study the subjects that they want to at the higher education facilities of their choice, which will give them a better chance of entering mainstream employment on gaining their qualifications?

Thank you, Mr. Hancock, for allowing me to make this speech. I hope that the Minister will answer my questions and that we can make progress.

11.11 am

The Parliamentary Under-Secretary of State for Work and Pensions (Mrs. Anne McGuire): It is a pleasure to speak in Westminster Hall under your chairmanship, Mr. Hancock. This is probably the first time that we have met in such circumstances, and I look forward to the experience.

I congratulate my hon. Friend the Member for Blaydon (Mr. Anderson) on securing this important debate. Not only here this morning but over many years he has shown significant commitment in raising awareness of the rights and needs of people living with muscular dystrophy. As he clearly identified, some of the issues cut across the concerns raised by many young people with different conditions or disabilities. The fact that my hon. Friend concentrated on issues relating to muscular dystrophy does not take away from the power of his case.

I am aware from the first part of my hon. Friend's contribution this morning that there is a great deal of work still to be done on specialist services, particularly specialist medical services, and that the lack of those services can have a serious impact on the lives of people with muscular dystrophy and similar conditions. I am aware that my hon. Friend met the Under-Secretary of State for Health, my hon. Friend the Member for Brentford and Isleworth (Ann Keen), on Monday to discuss research and specialist services. I understand that another meeting has been arranged to examine those issues again and perhaps to resolve some of the concerns that my hon. Friend the Member for Blaydon has raised. I give a commitment that I will pass on the comments that have been made in this debate to ensure that that Minister is aware of them.

The Government are proud of their record on extending rights and opportunities for disabled people, and I welcome the opportunity provided by this debate to highlight some of the progress that we have made and are making towards achieving equality for young disabled

[Mrs. Anne McGuire]

people and to reflect on some of the challenges. In the short time available, I will try to pick up on the specific points that my hon Friend the Member for Blaydon raised.

My hon. Friend gave powerful illustrations of the situation that faces many young disabled people. They still feel themselves discriminated against. They feel that their talents, experience and educational qualifications are not recognised as they should be. Indeed, at a very basic level, the need for access to an interview is not even considered to be part of the way in which an employer should treat a prospective employee who is skilled and has the relevant qualifications. Obviously, it causes me, as Minister with responsibility for disabled people, grave concern that such a situation still exists, despite the fact that we have had the Disability Discrimination Act since 1995. We have strengthened that Act over the past 11 years while we have been in government, yet young people going for their first job and full of expectation are still treated in the way that my hon. Friend highlighted.

It is fair to say, however, that despite that reservation, the UK has become a world leader on disability rights. We have legislated to provide protection against discrimination at work, while offering new support and incentives to work. We are consulting on improving our specialist disability employment services. With those measures and others that I hope to highlight in the next few minutes, we have come a long way but, as my hon. Friend's speech clearly showed, major challenges still have to be tackled.

I place on record my support for Trailblazers, the Muscular Dystrophy Campaign's new network of young campaigners, which was eloquently championed by my hon. Friend. I would be happy to meet him and representatives of the network. I am keen to ensure that our policies and services are informed by the knowledge and experience of disabled people. That is why, as my hon. Friend may be aware, we established Equality 2025, which is a network of disabled people to advise the Government on policies affecting disabled people. Trailblazers can play an important role, not only in articulating the views of young disabled people but in enabling young people to develop vital skills through their involvement with the network. My hon. Friend will be similar to me in some aspects of his background. We picked up the skills of negotiation, debate and conflict resolution through our experiences in either the Labour or the trade union movement, or through involvement with other political groups and residents networks. I would be delighted to meet him and representatives of the Trailblazers network.

The Government acknowledged the specific challenges faced by disabled children and young people in our 2005 report entitled "Improving the life chances of disabled people". We are committed to breaking down those barriers to enable disabled children and young people to achieve their full potential. The report focused on four key aspects of a disabled person's life chances: independent living; early years and family support; transition to adulthood; and employment. My hon. Friend emphasised the latter two this morning. The report made a number of practical recommendations, which we continue to drive forward to deliver on our commitment of equality for disabled people by 2025. Indeed, before coming to Westminster Hall this morning, I was chairing a meeting of Ministers who are part of our life chances group.

We are making significant progress against the recommendations in the report. We have introduced many initiatives and programmes, which are having a significant impact on the life chances of disabled children and young people. They are too numerous to list now, but I will provide a few examples of the achievements so far.

We have transformed the civil rights of disabled people. We have improved the benefits system and continue to seek ways to do so. We have improved support for families with disabled children in line with the children's national service framework. We have introduced direct payments for families with disabled children and disabled young people, which increase choice and control and empower those families. We are investing an extra £340 million over three years to transform services for disabled children and their parents, as set out in our "Aiming high for disabled children" programme. We have extended opportunities for education and employment, which I shall now talk about in more detail.

We are strongly committed to ensuring that our education system fosters the ambitions and aspirations of young disabled people. Since September 2002, schools and local authorities have been under a duty not to treat disabled pupils or students less favourably than those who are not disabled. We have made it perfectly clear, that when parents want a mainstream place for their child, everything possible should be done to provide that. I note that the two individuals to whom my hon. Friend referred in his illustration have been through mainstream education at both primary and secondary level.

We have significantly increased funding for the Learning and Skills Council to support disabled learners through further education, specialist providers, work-based learning, school sixth forms and personal development and community learning. We recently launched "Progression through Partnership", which sets out a vision for how Departments across Whitehall, such as the Department for Children, Schools and Families, the Department of Health, the Department for Innovation, Universities and Skills and the Department for Work and Pensions, which is my Department, will work together to deliver high quality support and incentives for disabled young people and adults in further education and training. It sets out a joint programme for change over five years and requires that the principal delivery agents and local delivery partners, including the Learning and Skills Council, local government's adults and children's social services and Jobcentre Plus, mirror that approach in delivering sustainable, positive changes for disabled learners.

Mr. Anderson: I thank the Minister for the kind words that she has said so far. The cross-departmental group that she mentioned seems to be exactly the sort of thing we need, but was any of the work behind that driven by people such as those who are with us today and who live with those experiences? We might think that we know what those people are going through, but the truth is that we do not.

Mrs. McGuire: I hope to give my hon. Friend and the colleagues with whom he works through Trailblazers some confidence that we work closely with disabled people to ensure that the policies and initiatives that we are developing not only are thought about in an office in Whitehall or even by politicians, but reflect the real life experiences of young disabled people. Many of the members of Equality 2025 are young disabled people in their late teens and early 20s who have recent experience of being part of an educational system and are looking to achieve their life ambitions. We take seriously not only the consultation with disabled people, but their involvement at all points in developing these proposals and monitoring how well we are implementing them. It is one thing to consult at the beginning, but we need to test ourselves all the way through the programmes. We always seek to do that, and to improve when we do not do it well.

We are also providing increased funding through the Higher Education Funding Council to institutions to help them support disabled students as well as providing disabled students' allowances directly to students. That support helps to remove the obstacles that prevent disabled students from entering and completing higher education courses of their choice.

My hon. Friend mentioned employment, and we continue to open up opportunities for disabled people to move into work. We have significantly expanded the range of specialist disability employment services, such as Workstep and the Access to Work programme, which I shall talk more about shortly. Those programmes have opened up work options for many thousands of disabled people across the country. My hon. Friend might be aware that we recently completed a review of those services to ensure a higher and more consistent quality of service to ensure a clearer focus on the individual needs of every disabled person we support, so it is not a template approach.

In response to my hon. Friend's question about the Access to Work programme, information on that is already readily available to employers through their relationships with Disability Employment Advisers and through Jobcentre Plus. We have increased the budget for the Access to Work programme year on year—from £15 million in 1997 to £69 million this year. We will continue to work with employers to raise awareness of their responsibilities under the Disability Discrimination Act 2005. We are also always looking for different and better ways for publicising that flagship policy, which supports so many in employment.

My. hon. Friend mentioned the necessary support for the transition from education to employment, which is crucial for many young people and their parents or guardians. For many young disabled people the transition into adulthood is not only about leaving school, often takes place over a longer period of time and involves many more aspects of a young person's life than it would for a non-disabled young person. So crucial do the Government think that that transition is, my hon. Friend will be interested to note that Ministers have made transition to adulthood a standing item on their agenda at their quarterly meetings of the life chances group. We listen to young disabled people when they say that transition planning and service provision do not work for them, which is often the case, and we are certainly taking action to improve the situation.

I have already mentioned our "Aiming High for Disabled Children" programme, which commits £19 million to a co-ordinated transition programme due to begin in September. Our five-year independent living strategy, which we published in March 2008, commits the Government and all of our agencies to ensuring a seamless transition into adulthood for young disabled people, including those with complex health needs. That will cover all aspects of their lives, including transition between children's and adult services, housing, transport, employment, education and training. That will bring together those commitments across a number of Government Departments. Over the five years of the strategy, we expect to see significant improvements in the number of young disabled people who have transition plans and who have access to a person-centred planning and advocacy service. It is allright having the plans in place, but we need to ensure that they are fulfilled. We are also committed to reducing the proportion of young people aged between 16 and 18 who are not in education, employment or training, and that also covers disabled young people.

In response to my hon. Friend's points on the links between the disability employment advisers and schools, those links already exist and undoubtedly add value, but I am looking for ways in which that engagement between education and our disability employment advisers at local level can be improved. He also highlighted the issue of accessible housing. The Government have substantially increased funding for the disabled facilities grant programme, from £57 million in 1997 to £146 million in 2008-09. That grant now helps around 35,000 disabled people by providing assistance with major housing adaptations, which enable them to remain living independent lives in their own homes, which is crucial for the individual's stability and development. Our independent living strategy has also commissioned further research.

Many of the initiatives and programmes that I have outlined today will take time to have an impact, but I echo my hon. Friend's comments that it is only by listening to the views of disabled people, and young disabled people in particular, through networks such as Trailblazers, that we will achieve our vision of equality for all disabled people by 2025.

11.30 am

Sitting suspended.

Belarus

2.30 pm

Mark Pritchard (The Wrekin) (Con): I am grateful for the opportunity to speak on Belarus ahead of the important parliamentary elections there in September.

I should first like to condemn the recent spate of bomb attacks in Minsk. Whether they were motivated by extreme hooliganism, terrorism or other factors, they are to be condemned, and our thoughts and prayers go out to the 50 or so people who were injured, many seriously. I hope not only that the perpetrators will soon be brought before the courts and the necessary justice dispensed, but that the police investigation will not be used as a pretext for curbing the freedoms of civic society and those religious, political and media organisations that espouse only peace.

Belarus stands at an important juncture in its history. The choice could not be more stark: the parliamentary elections in September will either provide a continuance of the status quo or an opportunity for a new dawn in which all the people of Belarus will be able to realise their full potential, and fulfil their dreams and those of their families.

For too long, political discussions inside and outside Belarus have been unhelpfully trapped in silos, too often accompanied by the outdated rhetoric of yesterday rather than the lexicon of the future and the language of hope. It is a false dichotomy to talk of Belarus choosing between east and west, for Belarus is strategically and geographically positioned to take advantage of both relationships, as it should—it is in its national interest to do so. One relationship does not have to suffer because of the desire to deepen ties with other partners. Belarus can be politically polygamous.

Although it may be convenient for some to talk in immediate, post-Soviet language, such language may rally to history, but it does not champion the future. Belarus can never cast aside its close ties with Russia—the Slavic and Russian influences on it remain strong—but no one is calling for that. Indeed, I believe that the Belarusian people would not countenance such a mistaken proposition. However, the European characteristic of Belarus is equally unmistakable and evident, and is a proud element within the make-up of Belarus, which is a fine, cultured country of brave people. Recently, a marker was placed in Polotsk to denote the geographical centre of Europe. Of course, it is not the only candidate—there are several rival claims—but it is another indicator that Belarus is part of the family of European nations. That is why I hope the country will move towards realising its true and full European potential, with the many benefits that closer co-operation will bring, not least in these difficult economic times. Belarus, like all nations, needs to minimise its risk to the vagaries of the global economy, and part of that process means seeking out new markets and opportunities, be they for large companies or small and medium-sized business. For the impressive Belarusian entrepreneurs, of which I know there are plenty, the future holds many opportunities.

What about UK-Belarusian relations? We enjoy good relations with Belarus—I would even say very good relations—in combating organised crime. Trade and investment are growing all the time, although the pace of growth is slow and could increase much further, given the right conditions. That is why Belarus's international reputation is important. I know of several UK companies that would like to expand into Minsk and other Belarusian cities, but they are worried that their reputations could be damaged in the process. Those justified, multi-million pound concerns should be taken seriously. They are a huge missed opportunity for the Belarus economy, but I do not believe that such opportunities are lost for ever. That is a matter for the Government of Belarus. Although Belarus might seek to improve its own image, the reality rather than the perception of progress matters.

Mr. Philip Hollobone (Kettering) (Con): When Belarus looks westward, who does my hon. Friend think will have more influence over the future direction of the country: the United States or the European Union?

Mark Pritchard: My hon. Friend, as always, asks a pertinent and relevant question. Belarus's relationship with the United States is a matter for the Belarus Government, and I am talking today predominantly about the Belarus-UK relationship and its relationship with the European Union. As I set out briefly already—I hope to set it out in more detail—there are a great many opportunities for Belarus to engage at all sorts of levels with the European Union. The difference between the types of discourse that the Belarusians could have with the Americans and the EU is not an issue, because Europe and the UK agree on the things that America is concerned about.

To reiterate, although Belarus might seek to improve its image, the reality rather than the perception of progress matters. A decision for progress will capture the imagination of international investors and increase foreign direct investment. The City of London is waiting to increase business with Belarus when conditions are right.

Bob Spink (Castle Point) (UKIP): My hon. Friend is a great champion for the City of London and an assiduous constituency MP, and I am delighted that he has brought this important issue to the House before the recess. Does he think that non-governmental organisations such as Amnesty International also have a part to play in developing the international community's perception of Belarus's performance on human rights reforms and the development of democratic institutions? I think it is genuinely trying to do those things, and it needs encouragement to make progress.

Mark Pritchard: The hon. Gentleman makes an important point. I mentioned civic society in my introduction, and I shall refer specifically to NGOs later in my speech. I am grateful for that intervention and look forward to responding to that point.

The process of parliamentary elections in September 2008 is important. The word "process" is significant, because the process rather than the outcome matters to the international community. The EU and hundreds of businesses within it, including in the UK, as I said, are eagerly awaiting a democratic nod from Belarus.

I welcome the recent invitation from the Belarus Government to the Organisation for Security and Co-operation in Europe to observe the elections. I hope that the OSCE will be given unfettered access to as many polling districts as it requests, that sufficient numbers of observers will be granted visas, and that they will be issued in plenty of time for the OSCE advance teams to prepare and set up. The invitation to OSCE is a positive first step on a multi-step stairway—a "process". The Government of President Lukashenko probably have more to gain from free and fair elections than possibly anyone else who would hold office or seek to be seated in Parliament. The European Commission's European neighbourhood policy shadow action plan is just one manifestation of the potential benefits of closer ties with the EU.

Democratic elections are not about discrediting Governments, they are about legitimising them. Differences of opinion should not be used as some form of diplomatic brinkmanship but seen for what they are—differences of opinion. That is why Minsk, London, Bonn, Vienna and Brussels should enter into dialogue, recognising each other's sovereignty, and undertake discussions with mutual respect. Then, I hope, they will move towards mutually beneficial co-operation. At the same time, commentators on Belarus need to understand that there are no shortcuts to democracy and that tokenism can never replace proper accountability and representative democracy. The parliamentary elections must be free and fair.

I do not wish to spend the whole debate on the parliamentary elections alone, although they are important. I wish to touch on media freedoms, which are linked to the elections. It is disappointing for all Belarus-watchers, and a retrograde step, that the Belarus Government recently tightened media freedoms, including the use of the internet, by introducing a new law on the mass media.

It is not acceptable that journalists and internet editors are being fined and harassed and having their technical equipment confiscated. Internet sites such as charter97.org are not enemies of the Belarusian state—that is a laughable idea. That site is run by Belarusians for Belarusians, and all love their country to a man and woman. I do not subscribe to the view expressed by some that parts of Belarus lack self-confidence or aspiration. Those attributes are imbued in the Belarusian psyche. Freedom of the press is not an optional democratic bolt-on but a key and fundamental freedom.

Whatever the outcome of the elections, and whoever is in outright control in a future Parliament, or perhaps in coalition, it is important that Belarus improves its human rights record. It is an international embarrassment that Belarus, at the heart of Europe, is still holding political prisoners in its jails. Those prisoners need to be released.

I recognise that there has been some progress on political prisoners. This February, five internationally recognised prisoners were released from prison, and the court case against the Belarusian Helsinki Committee was rightly suspended. Those were positive steps and could lead the way to the normalisation of EU-Belarus relations, but more needs to be done. I hope that all remaining political prisoners will be released before the September elections.

The strength of a nation is not counted by the number of political prisoners whom it detains. Belarus must recognise the fundamental freedoms that are enshrined not only in British and European laws and Parliaments but in the hearts of men and women around the world. Those universal freedoms are the desire of all men and women, wherever they live—the freedom to choose their own Government and express their voice in an unencumbered way, the freedom of religion and expression, and the freedom to have members of Parliament chosen by the people, for the people, not by diktat. Those are not just western freedoms, they are Belarusian freedoms as well.

Freedom is not a sign of weakness but, I submit, a sign of strength. Belarus knows a lot about freedom and its high cost. Many will know of the Bielski brothers, the brave partisans who fought the German army victoriously. They started off with just three or four people and escaped to the woods, then formed a large group of more than 1,000 partisans, who did a great deal of damage to the Nazis. There is a forthcoming film about the Bielski brothers, called "Defiance", starring Daniel Craig as Tuvia Bielski. I hope that it will shed some light on the suffering of not just the Jewish population, which suffered greatly, but Belarus as a whole.

When I last visited Belarus, the whole nation was celebrating the defeat of the Nazis, who wreaked widespread havoc, pain and destruction, destroying two thirds of Minsk and other parts of the country. The people of Belarus never gave up. They continued to believe in a day when people would be able to speak openly and freely without fear of being rounded up, detained and thrown into prison. They rightly dreamed of a day when they would be able to express themselves freely and openly. The story of the Jerusalem in the forest is a remarkable and exceptional one of human triumph over great suffering.

Similarly, I hope that the persecution of faith groups in Belarus, particularly the Christian Church, will end. Most people thought that the persecution of religious groups had been left behind in the 1930s and 1940s, and it is perhaps one of the worst excesses of overly sensitive Governments around the world. The Orthodox and Catholic Churches need to ensure that when they witness or hear of the persecution of other faith groups, or of smaller Christian denominations and Churches, they do not walk by on the other side. They must make formal protests and speak out for the persecuted and imprisoned and those who have trumped-up charges brought against them and are prosecuted falsely. Non-governmental organisations should also be free to go about their important work.

I know that the Government of President Lukashenko are aware of their responsibilities under the international covenant on civil and political rights, and I look forward to hearing that progress has been made on the issues that I have mentioned in the weeks leading up to the elections. I hope that those elections are free and fair and not characterised by intimidation and fraud; that in the weeks leading up to September, there will not be a crackdown on civil society, NGOs and religious groups; that there will not be registration problems for other candidates and parties; that opposition parties will be able to print campaign materials and campaign openly; and that political websites will not be closed down.

I have a question for President Lukashenko. Does he want history to remember him as the leader who brought Belarus into a new era of economic prosperity and self-confidence, or does he want to be consigned to the long list of history's leaders who have put self before

[Mark Pritchard]

country? I believe that he knows history and the importance of legacy, and therefore I, like many others, am waiting to see whether he will do what we all hope—lead Belarus into a bright future.

As I said earlier, the elections in Belarus are about process, not outcome. I hope that that process will not be rigged and that it will be free and fair. Within 12 weeks, we will all find out whether that has been the case.

2.49 pm

Jo Swinson (East Dunbartonshire) (LD): I congratulate the hon. Member for The Wrekin (Mark Pritchard) on securing and introducing the debate. I know that he has raised the matter in business questions, but it is important for us to discuss it before the recess in the light of recent and forthcoming events in Belarus. The hon. Gentleman takes a keen interest in political affairs in eastern Europe and Russia, and I commend him on his work as chairman of the all-party group on Russia; he introduced me to the Russian ambassador last month, which was a very interesting meeting.

I share the hon. Gentleman's condemnation of the recent distressing bomb attacks in Minsk. The reasons behind them have not been discovered. I share his fear and trepidation about the way in which the Belarusian authorities might go about conducting investigations and what the results might be, given their appalling human rights record in dealing with law and order.

In the 18 years that Alexander Lukashenko has been in power in Belarus, it has become clear that the country is the last place in Europe ruled by a dictator. The US has described it as an "outpost of tyranny". Belarus was relatively prosperous when it was part of the USSR. Unfortunately, it has been in steep decline since the end of the Soviet Union. It is important for us to remember that the Belarusian people have been the victims of the tyranny of Lukashenko's regime, which has cracked down on dissidents and managed the country in an incredibly poor way. The economy is crumbling. As has been said, Belarus is looking towards the past rather than the future.

The regime has been characterised by many human rights abuses, particularly with regard to the treatment of political opposition and dissidents. All the institutions have been subverted to the will of the President. Worryingly, over the past couple of months, even more rigid legislation has been passed to put a muzzle on the country's independent media. That is a hallmark of a state that wants to oppress its people. As a result of its human rights abuses, Belarus finds itself increasingly isolated in the international community and increasingly dependent on its relations with Russia. We must make the point that it is vital that relations with the EU are put on a better footing. I will ask the Minister about the twin-track strategy later.

I will focus on three main areas: democracy and human rights in Belarus, its relations with the EU and its relations with Russia. Before I move on to those topics, I will share a related point. Belarus is not very familiar to people in the UK. However, there are more links than are obvious at first glance. When I mentioned to my PA, Julie, that I would be speaking in a debate on Belarus, she told me that when she was growing up, two sisters had stayed with her family for six months under one of the many programmes that encourage children from Belarus to come to the UK to improve their health, which was affected by the Chernobyl disaster. Such programmes have been run by a variety of charities such as Chernobyl Children's Lifeline and Chernobyl Children's Project UK. About 4,000 children come to the UK each year for recuperative holidays, which have been proven to have a huge positive impact on their health. It is estimated that a stay of just a few weeks can extend life expectancy by as much as two years. There are, therefore, more links than are obvious.

In an Adjournment debate secured by my hon. Friend the Member for Dunfermline and West Fife (Willie Rennie) in February, he raised the problems faced by such children in getting visas to come to this country as a result of the introduction of biometric passports. Some people had to make a 10-hour round trip to Minsk to obtain their visas. For children in a very ill state, that was a great barrier to being able to go on a holiday that would improve their health. The Minister for Europe, said on that occasion:

> "I will take personal responsibility for undertaking further inquiries and then meet him".—[*Official Report*, 25 February 2008; Vol. 472, c. 880.]

The Minister has done that and is to be commended, but I urge the Minister for the Middle East to raise the issue with the Minister for Europe because not all the problems that were identified have yet been resolved. It would be useful if the matter could be pursued.

The catalogue of human rights abuses in Belarus is well documented, as I have said. The political oppression and the treatment of the media are abhorrent to free and democratic societies such as ours. The Government are right to express their disgust at the human rights abuses through various EU and UN channels. I urge them to put further pressure on the regime in Belarus where possible, which I know they are keen to do. That must involve pressure to release political prisoners, to investigate the disappearance of political opponents and to hold free and fair elections. Restrictions on the country's media must be lifted. I welcome the Government's statements and actions on these matters to date, but I press the Minister to say what further action the Government will consider to get the message through to Belarus. What further pressure can we bring to bear so that the regime will understand that its abuses of human rights are unacceptable?

It would be interesting to know how many political opponents of the Belarusian regime have been given asylum in the UK over recent years and if any have applied for asylum and been refused. If the Minister does not have the figures here, perhaps he could write to hon. Members present.

The hon. Member for The Wrekin mentioned the forthcoming elections. There was no international monitoring of last year's local elections. If we are to have confidence that the elections are free and fair, it is vital that international monitors are granted access. Does the Minister expect there to be monitoring of the forthcoming elections or are there still significant obstacles to that?

The Minister for the Middle East (Dr. Kim Howells): There will be election monitors, some of whom will be British. I understand that the Belarusian Government have agreed to that.

Jo Swinson: That is welcome news indeed. Perhaps it is another sign of the slight thawing of relations that has been noticed recently between Belarus and EU countries. I hope it will provide a glimmer of hope for the future.

On the media, it filled me with dismay to read that in 2005 the state-owned monopoly printers terminated the contract of the last remaining independent newspaper, and that just last month new laws were introduced requiring all websites in Belarus to be registered with the Government. Journalists can be subject to tough penalties, such as being put in prison for two years, if they reproduce foreign media reports that discredit Belarus. That is unacceptable, as is the persecution of religious groups that we have heard about, particularly the appalling treatment of Christians. Those things must be roundly condemned.

The hon. Member for Castle Point (Bob Spink) made a useful intervention to point out the important role of organisations such as Amnesty International. I declare an interest as a member of that group. That such organisations can get into countries such as Belarus and report accurately on what is happening is vital for those of us in the international community who want to put pressure on such regimes. I commend and applaud the work of such organisations. I urge hon. Members from all parties to take an interest in the reports that they produce.

The EU has adopted a twin-track approach in its relations with Belarus. High-level contact has been suspended, but the door has been left open so that if reforms take place there can be greater co-operation. Sanctions have been imposed, lifted, and imposed again. With the recent crackdown on political opponents and the introduction of restrictive legislation, it is right that sanctions have been put in place. Does the Minister think that the current strategy is working or are there alternative strategies that could be used? How effective does he think the sanctions are? I note that the answer to a parliamentary question tabled by my hon. Friend the Member for Berwickshire, Roxburgh and Selkirk (Mr. Moore) in November 2007 stated that no Belarusian assets were frozen in the UK in line with the EU sanctions. Has the position changed since then or is it still the case that no such assets fall into that category?

I am particularly interested in the perceived thawing of relations signalled by the setting up of a European Commission office in Minsk and the acceptance of election monitors for the forthcoming elections. Is there hope that this warming of relations could become more permanent? What should Europe's response be to ensure that happens as we walk the line between wanting to encourage reform while not condoning the human rights abuses in Belarus?

I turn to relations between Belarus and Russia. Lukashenko's primary foreign policy objective has been good relations with Russia, but clearly they came under considerable stress during the Putin presidency, particularly owing to the many disputes over gas and oil supplies and their impact on the Belarusian economy. Will the Minister tell us what talks the UK or EU are having with Belarus to avoid future disruption to energy supplies owing to pipeline disputes? Obviously, with the increasing dependence on other parts of the world for energy supplies, Belarus and Ukraine are in pivotal positions as major transit routes for oil and gas supplies. Does he think that a greater number of pipeline routes would decrease the likelihood and seriousness of any future disputes, and will the Government actively pursue alternative supply routes? Can he provide us with further information about the Government's actions in that area?

Interest in the thawing relations with the EU is counterbalanced by a look through the history of Russian relations. At one point Russia said that Belarus should be part of the Russian Federation, but at other times suggested that the two countries could be joined together in a united state. At what stage is that proposal, and does the Minister believe that the warmer overtures to the EU represent a policy shift by Lukashenko and a move away from the idea floated of a united Belarusian and Russian state?

On that note, we are fortunate enough to have more time than usual for the Minister to reply to the debate, following the contribution from the hon. Member for Rayleigh (Mr. Francois), and I look forward to his response.

Mr. Mike Hancock (in the Chair): There might be plenty of time, although I do not think that the Minister wants to fill it, but we will wait and see with interest.

3.2 pm

Mr. Mark Francois (Rayleigh) (Con): It is a pleasure to serve under your chairmanship, Mr. Hancock. I congratulate my hon. Friend the Member for The Wrekin (Mark Pritchard) on securing this important debate and on enriching it with some of his own personal experiences in dealing with this important European country.

As we have heard, Belarus's history reflects much of that of central and eastern Europe, as it has variously been part of the Kingdom of Poland, the Grand Duchy of Lithuania, and the Russian and Soviet empires, before eventually attaining independence in 1991. As we also heard, it did not escape the ravages of the 20th century, having been fought over by Poland, the Soviets and Nazi Germany. In fact it has the dubious distinction in the second world war of being attacked by both the Soviets, under Stalin's agreement with Hitler to divide Poland, and then by Hitler's Nazis, so Belarus was fought over more than once during that great world conflagration. The appalling destruction and murder that resulted meant that the country lost more than a quarter of its population, including many members of its Polish and Jewish minorities.

Unfortunately, the end of the second world war was not the end of the suffering of the Belarusian people. Stalin launched a period of Russification, and then Sovietisation, of which Nikita Khrushchev declared:

> "The sooner we all start speaking Russian, the faster we shall build communism".

As well as the inefficiencies of the Soviet economy, one of the last legacies that the Soviet Union bequeathed to Belarus was the Chernobyl disaster in 1986, which affects much of the southern part of the country to this day. Given its 20th century history, it was hoped that

[Mr. Mark Francois]

Belarus could enjoy the outbreak of freedom and prosperity enjoyed by so much of central and eastern Europe following the fall of the Berlin wall. However, Belarus, under President Lukashenko, seems to swim stubbornly against the tide of history, and has been described by President George W. Bush's Administration as the "last dictatorship in Europe".

President Lukashenko, who has been President of Belarus for most of its history since independence, is an autocrat presiding over one of the only countries in Europe that the non-governmental organisation, Freedom House, still categorises as "not free". The last presidential election, in 2006, was described by the Organisation for Security and Co-operation in Europe as having

"failed to meet OSCE commitments for democratic elections".

With regards to elections, the media and human rights, Belarus unfortunately shows many of the hallmarks of a dictatorship. I am sure that the Minister will agree that Belarus's behaviour is even more surprising, given that many of its neighbours have had immense success modernising their economies and political systems, with Lithuania, Latvia and Poland becoming relatively prosperous members of the EU, and Ukraine progressing to becoming a partner country and, in time, a full member.

Something that clearly marks Belarus out as a dictatorship is its treatment of the media. President Lukashenko has even boasted that his Government use "serious pressure" to control the media and that he is in charge of this process. Unfortunately, such media control has continued in the run-up to the parliamentary elections which, as my hon. Friend the Member for The Wrekin pointed out, are scheduled for September 2008. He also mentioned that the Belarusian Government recently introduced a new media law that will restrict the internet and foreign broadcasters and further cut Belarus off from the outside world and objective news. In the absence of an impartial media, Lukashenko has tended to shore up his internal position by focusing on "the enemy abroad". He complains about Polish and Lithuanian NATO bases near the Belarusian borders, and publicly urges his army to step up preparations for potential conflict. He has even raised the spectre of the Russian mafia to scare people domestically into supporting a strong state. As a result, Belarus has been listed by the Committee to Protect Journalists as one of the 10 worst countries in which to be a journalist.

It is unfortunate, too, that over the years, a number of Opposition leaders have been imprisoned or have simply disappeared. The most high-profile leader is Alexander Kozulin, who is serving a five-year jail sentence for taking part in a pro-democracy demonstration after the most recent elections. Consequently, the recent explosion on 4 July at a celebration of Belarusian independence, at which President Lukashenko was present, could be an ominous development. The first signs are not encouraging: Radio Free Europe was reporting only yesterday that the Belarusian authorities were using the attack as a pretext to detain pro-democracy protesters and that a demonstration in Minsk asking for their release was broken up by police after violent scenes.

What should be our response to Belarus? It is undoubtedly in our interests to try to foster a more open and democratic Belarus, but that leaves a classic dilemma, with which the Minister will be familiar from his dealings in the middle east, of whether it is better to engage further with Belarus in the hope that by doing so we will produce an environment where Belarus can see the benefits that would flow from a normalisation of relations, although we risk sending a signal to the Belarusian regime that we approve of its behaviour. Alternatively, we could introduce increased measures, sending a clear message to the regime, but at the cost of making the people of Belarus pay for their Government's actions.

The pragmatic solution to that dilemma is to implement actions that specifically target the regime, rather than the ordinary populace. That should take the form of travel bans and asset freezes for members of the regime, as well as giving moral and material support to the political opposition, who are trying to promote democracy in the country. To this end, we support the EU's action, agreed in 2005, to target an extra 31 members of the Lukashenko regime identified as responsible for the flawed elections with asset freezes and travel bans. We also support the continued freeze on the implementation of the partnership and co-operation agreements between the EU and Belarus.

We believe that targeted action should be continued in the run-up to the next elections, to send a message to President Lukashenko that relations can improve only if elections are free and fair. My hon. Friend the Member for The Wrekin stressed the need for free and fair elections, and we concur with that view. I would be interested to know whether Ministers have any further proposals for additional action that could be taken in an attempt to send that message to President Lukashenko in a way that he might understand. Because of the Belarusian Government's behaviour, the political opposition are at a severe disadvantage. To support the political process in Belarus it is desirable to give support to political parties and civil society, such as those, for instance, who are grouped under the heading of the united democratic forces, to encourage them to continue to argue for the development of democracy and true plurality in their country.

Another method by which we can encourage Belarus to engage with the outside world is to set out the benefits of such engagement. An open and democratic Belarus already has the assurance of a better relationship with the European Union, based on the European neighbourhood policy, which is intended to promote further economic integration to improve the lot of countries bordering the EU. Belarus borders three EU states, and Ukraine has already applied to join the EU. Belarusians have seen the economic progress of the Baltic states, made possible, for instance, by access to the single market. A democratic and open Belarus would be likely to have the support of its neighbouring states for beginning a process of further integration into the European Union, which would arguably benefit Belarus as a whole. The EU could also help Belarus in the provision and sharing of technology to improve the environment. That would be particularly relevant, given the large-scale environmental degradation in the south resulting from Chernobyl fallout.

To conclude, Belarus suffered enormously in the 20th century. While many of its neighbours took advantage of their independence to build up their economies and political institutions, Belarus stubbornly remained a dictatorship, starved of freedom and investment. Belarus has a clear choice. It can move towards engagement with the outside world, attract investment and improve the lot of its people, or it can remain an isolated outpost of authoritarian rule. We in the UK, with our partners in the EU, need to help the Belarusian people by targeting sanctions on the Belarusian regime, and supporting the development of civil society in that country. To that end, we support the measures that are already in place under the auspices of the European Union.

If Belarusians were given the opportunity to engage with the outside world, the benefits for them would be huge. They could have greater access to EU markets and easier travel, and they could begin a process that could, in time, lead to eventual EU membership. We need to help the Belarusian people to make a genuine choice. I look forward to hearing from the Minister what help, if any, we are giving to Belarusian civil society in the run-up to the elections, and what measures we are targeting on the regime to make it clear that failure to move towards an open and democratic society carries penalties, whereas reform brings with it signal advantages that would be in the interest of all the people of Belarus.

3.13 pm

The Minister for the Middle East (Dr. Kim Howells): I thank the hon. Member for The Wrekin (Mark Pritchard) for securing the debate and giving us the opportunity to examine a country that is deeply troubled but which lies, as he pointed out, close to the geographical heart of Europe, on the threshold of the European Union.

I want to express support and sympathy to those Belarusians who were injured in the explosion at the independence day concert in Minsk on 3 July, or perhaps, as the hon. Member for Rayleigh (Mr. Francois) said, it was on 4 July. I am not quite sure which day it happened. The actions of the terrorists who planted a bomb and destroyed what was supposed to be a celebration are murderous, and deplorable. I urge the Belarusian Government not to use the investigation as a political tool. We know, for example, that 16 members of opposition parties have already been detained. Interrogations and the searching of apartments of democratic activists go on, and that is extremely worrying.

I assure the hon. Member for The Wrekin that Her Majesty's Government desire a constructive relationship with Belarus, as we do, of course, with other countries on the borders of the EU. If I have just one message, it is to encourage Belarus to see the September parliamentary elections as a good opportunity to rebuild that relationship, by demonstrating the ability to address important human rights concerns. A better relationship with the EU would bring easier travel, economic opportunities and the chance to contribute to discussions on issues that affect us all, such as the environment.

After all, as hon. Members reminded us during the debate, Belarus is very much a European country, but Europe has a very restricted relationship with Belarus. Belarus currently does not live up to the principles that Europe stands for: freedom, democracy and respect for human rights. As the hon. Member for The Wrekin reminded us, 20 years ago, countries that are now respected members of the EU faced a choice between retreating into Soviet-style authoritarianism and welcoming freedom and democracy. Most chose the latter. Belarus did not, but the option remains open.

The hon. Member for The Wrekin reminded us that the country occupies a strategic position. When I looked it up on a map this morning, I saw that almost all the main roads from Poland, and therefore from western Europe, to Moscow pass through Belarus. The hon. Member for East Dunbartonshire (Jo Swinson) asked about gas supplies through pipelines running through Belarus into western Europe. That is an important and worrying consideration on which, I suppose, we could have a separate debate.

One of the things that concerns us is that not only does Russia provide Belarus with cheap gas—it is extremely cheap, in comparative terms, at present, and the Belarusian economy is doing well on the back of that—but Russian hydrocarbon money is buying up Belarusian industry. We shall come on to that, because the point about the opportunities that should exist in Belarus for greater diversification of ownership, particularly of new industries and development industries, is an important one.

Mark Pritchard: The Minister has half answered my question before I have asked it, but I am happy to give him the opportunity to provide the other half of a reply. All countries should diversify risk in their economies. The issue is not between Russia or the European Union. If the conditions are right, both could provide huge opportunities for the Government and the people of Belarus, as the Minister says.

Dr. Howells: Yes, I could not agree more. The question posed by the hon. Member for East Dunbartonshire about what to do about the predominance of Russian gas flowing into central Europe and topping up the gas supplies that are distributed around mainland Europe is a serious one, and not just in relation to Belarus's position as a country of passage. It could do very well out of that role if proper tolls and fees were paid. Part of its wealth in the past came from it, when cargoes of all sorts passed back and forth across that great region.

What we should do about the Russian domination of gas supplies to the European Union is a serious question. The plans to build a submerged pipeline under the Baltic sea, bypassing Poland, throw up all kinds of political issues that we could debate at another time. I hope that we will.

The hon. Member for Rayleigh reminded us that Belarus has been occupied by invading armies on a number of occasions and has liberated itself, sometimes with help. I think he was making the point that its liberty has been hard won many times. I am convinced that the will to confirm independence, sovereignty and democracy is very much alive in Belarus, and that the Belarusians draw strength from the fact that they can look across their northern and western frontiers to countries where those values flourish. That is important.

Two years ago, the European Union published a document with the wonderful EU title, "What the European Union could bring to Belarus". I do not know who dreamed up that title. It was probably some kind of a consultancy to which we paid a lot of money. I shall not get the hon. Member for Castle Point (Bob Spink) going on that, but I am sure he would agree. The paper contains examples of how the people of Belarus could

[Dr. Howells]

benefit from a renewed dialogue with the EU, and says what the Belarusian Government need to do to achieve that. If Belarus takes steps towards achieving internationally recognised standards of democracy, the EU is ready to offer it a strong co-operative relationship based on mutual respect. I shall try to answer some of the hon. Lady's questions on this aspect of the debate.

As the hon. Member for The Wrekin said, a good relationship with the EU would give foreign investors more confidence in Belarus. Belarusian products would get greater access to the EU market and Belarusian people would find it easier to travel to the EU for business, education or holidays. When I asked departmental officials how much trade and investment there is between our countries, I was quite shocked by the answer. Belarus has a population of nearly 10 million, but trade between our countries is tiny. The latest figures that I have are for 2005, when UK exports to Belarus totalled £7 million—that is nothing—and consisted mainly of chemicals, textiles and machinery.

Imports from Belarus, however, totalled £276 million, so we are an important market for that country. It sent us mostly oil and oil products. To reinforce the hon. Gentleman's point, that is a bad sign. I am sure that that money is very useful to Belarus—£276 million in hard currency is not to be sniffed at—but it would be wonderful if it came from other products. It is a sign that there is great potential in Belarus to produce other things and diversify, but that is not happening. That is why the hon. Gentleman's comments on diversification and investment were so important.

The established collective position of the EU is that Belarus should begin to make demonstrable and irreversible progress on certain issues that are listed in the document, "What the European Union could bring to Belarus". Those issues include free and fair elections, freedom of the media, and non-governmental organisations being allowed to work without restrictions. Other issues are the release of political prisoners, an independent judicial system, the end of arbitrary detention and arrest, and respect for the rights of minorities. Belarus would also be expected to allow people to join trade unions, allow people to run their own businesses, abolish the death penalty and accept the support and advice of the Organisation for Security and Co-operation in Europe.

We want to have the kind of relationship with Belarus that we have with other eastern neighbours, such as Ukraine and Moldova, which have taken significant steps towards democracy in the past few years. One of the EU's great achievements is the impact that it is able to have on its neighbours in that respect. Only last week, a delegation from the EU visited Belarus to discuss the forthcoming elections, and I was pleased to hear that the Belarusian authorities were ready to talk to the delegation. That is a good sign, and I very much hope that dialogue will continue. We will try to ensure that it does. The authorities can be in no doubt that the EU has much to offer Belarus, and it is their choice whether to accept that help.

All hon. Members who have spoken discussed human rights. To become a respected member of the international community, the Belarusian Government must respect the human rights of their people. Life in Belarus can be difficult for people who speak out against the authorities and for human rights. Their possessions could be confiscated or their businesses closed down. They face arrest, detention, interrogation and even physical abuse. We want Belarus to be a close friend and a good neighbour to the EU, but that cannot happen while those who are brave enough to question the Belarusian Government face such severe treatment for doing so.

I take this opportunity to offer our support to Belarus's three current political prisoners, Alexander Kozulin, Andrei Kim and Sergei Parsyukevich, and I call for their immediate release. I am sure all hon. Members who have taken part in the debate would echo those sentiments.

The UK is using bilateral programme funds to support civil society, particularly in the fields of human rights and independent media. Freedom of expression—through the media, for example—is fundamentally important to any democratic society. We hope that the new mass media law that the Government passed in June will not be used as a tool to oppress non-state media and foreign journalists. We welcome the progressive aspects of the law, which simplifies the registration process and takes international practice into account, but the law contains several worrying new provisions, including one that bans the financing of a mass media outlet from abroad or from any other so-called anonymous source. That is a potential threat to the development of independent journalists in Belarus.

Let me address the hon. Lady's point about visas and children from Chernobyl. My hon. Friend the Minister for Europe has taken a special interest in the Belarusian children who have been affected by the Chernobyl fallout and who come to the UK and other countries for the respite care that is arranged by numerous charities. The distribution of their visas is a huge operation. To give an idea of the scale involved, in 2007, the British embassy in Minsk issued about 3,600 free visas to children who were sponsored by Chernobyl charities. I am proud that the UK is able to help, and that when those children return to Belarus, they take back happy memories of their time here.

When we introduced biometric visas for Belarus, we planned to open a seasonal collection facility in Gomel Oblast specifically for children who were coming to the UK for respite care. I looked on a map to find it, and I can show hon. Members—I am never quite sure how one uses visual aids in a debate, Mr. Hancock—where Chernobyl is. The wind was blown from the south-west and covered an area including towns and villages close to Gomel. We wanted to set up a biometric centre there specifically for those children, but the Belarusian Government blocked that proposal.

In response, we developed a bespoke mobile project, which is unique in the world, and the embassy and UK Border Agency devoted considerable resources to its planning and implementation. We send a team with a mobile biometric data collection machine to the cities of Mogilev and Gomel in the areas of Belarus from where 85 per cent. of the children outside Minsk come. The project seems to have been a great success. So far 843 children have given their details, with more to come. At the end of the peak season for applications, we will review the project and see whether we need to make any changes for next year. I hope that will ease any concerns.

As the hon. Member for The Wrekin reminded us, the debate comes at an important time, as Belarus prepares for parliamentary elections in September. Belarus does not have a strong democratic tradition. It has a tradition of fighting for freedom and democracy, but that has been stifled for many years by repressive regimes. The OSCE described the 2006 presidential elections as

> "severely flawed due to the arbitrary use of state power and restrictions on basic rights".

The EU said of local elections in 2007 that

> "rights to freedom of opinion, of association and of assembly, as well as the rights of the opposition, were seriously impaired".

We have been encouraged by statements from Belarus that the elections will be democratic. President Lukashenko himself said:

> "The election campaign should be as open and democratic as possible and absolutely transparent."

From this place, I call on him to uphold those declarations. I am pleased that Belarus has invited election observers from the OSCE to monitor the elections. That is a good sign, but we have also seen worrying signs. We are concerned about the pressure that the authorities are putting on the opposition. The regime is using administrative powers to discourage opposition members from standing in the elections, and some opposition members have lost their jobs because of their decision. Others have found their tax records scrutinised to find errors that disbar them from standing. There are restrictions on meetings, demonstrations and assemblies, and people have been arrested for distributing leaflets. Opposition organisations have been refused permission to register with the authorities, and those activities do not live up to the "open and democratic" promise made by President Lukashenko.

The Belarusian economy has been performing relatively well. According to the World Bank, average income per head last year was about $4,000. The country has a highly skilled and capable work force; Belarus does not need aid, it needs foreign investment, as the hon. Member for The Wrekin told us. If Belarus is to maintain its economic independence, it needs to take steps to liberalise its economy and open up to European and wider international investment. The EU is Belarus's second largest trading partner after Russia, although trade has declined since the EU withdrew the generalised system of preferences in 2007 because of the mistreatment of workers. Again, the EU stands ready to help Belarus, including through a re-energised programme under the European neighbourhood policy.

I shall finish by describing what the United Kingdom intends to do in Belarus as the elections approach. We will provide election observers, at the request of the OSCE. We will watch the election process carefully, making sure that the authorities treat opposition parties fairly. We will continue our long-standing support of democratic organisations, we will support efforts in the EU to promote democracy in Belarus, and we will ensure that the EU is ready to react to the elections in September.

I know that the hon. Gentleman will follow our activity closely over the next six months, and I hope that in the autumn we will be able to talk about Belarus again and congratulate it on a well-run election. I encourage the Belarusian authorities to live up to the spirit of the public statements that they have made about the election, and to take the advice of the OSCE mission. If, and only if, that happens, can the EU engage with Belarus as a fellow European country.

3.33 pm

Sitting suspended.

4 pm

On resuming—

Mr. Mike Hancock (in the Chair): With hon. Members' agreement, I shall suspend the sitting again, as there is a Division in the House.

Sitting suspended for a Division in the House.

4.15 pm

On resuming—

Local Housing Allowance (Highlands)

Danny Alexander (Inverness, Nairn, Badenoch and Strathspey) (LD): I am grateful to Mr. Speaker for allowing this short debate, and I am pleased to see the Minister in his place. In my past role of shadowing his Department I had the privilege on a number of occasions of debating a number of issues with him, including local housing allowance. I look forward to discussing the matter in the spirit of combative co-operation that characterised past debates.

I shall say a few words to put the debate into context. The Minister knows—I have mentioned this before when debating local housing allowance in Committee and so on—that there are particular problems in the highlands with the availability of affordable housing and social housing. The Highland council area has a housing waiting list of at least 10,000, and the shortage of housing that local people on low wages and benefits can afford is probably the major social problem afflicting the area. That may surprise some people, but I am sure that the problem is equally considerable in the Minister's constituency.

In the city of Inverness, as well as in rural towns and villages, people's ability to live in the communities where they were born and grew up, even when they have access to employment, is constrained in the social housing sector by the low rates of pay in the highlands, so the role of housing benefit in providing support for people on low incomes who want to live in the private rented sector is particularly important to make such housing tenure more affordable. I am sure that the Minister is also aware of the report by the Chartered Institute of Housing in Scotland, which shows that in the current financial year the Scottish Government are planning a 25 per cent. cut in funding for affordable housing in the highlands. That is not the direction in which policy should be going.

On local housing allowance, the Minister knows that I have always taken the view that in principle the reforms to the housing benefit system that led to local housing allowance are good in principle, and a number of its features offer advantages over the previous housing benefit system. One, which the Minister has talked about, is what is known as the shopping-around benefit. The rate is set and if people can find a cheaper property, they can keep some of the difference. That is an incentive, partly to keep rents down and partly for people to shop around. The other side of the equation means that people whose rent is higher must pay the difference. The LHA system makes that clear, and I have no problem with the way in which it is made clear. The purpose of this debate is not to challenge the basis of the system, but to draw to the Minister's attention some questions about how it operates in the highland context.

The first issue that I want to draw to the Minister's attention concerns the shopping-around benefit. I know that there are plans to introduce a further welfare reform Bill and I understand that details will be announced in a couple of weeks. This area is one that may be considered again, and I hope that it will be useful if I inject a couple of ideas for the Minister's consideration at this late stage.

I want to draw hon. Members' attention to two issues that are causing problems in the highlands. One problem is the absolute level of local housing allowance payable in the highland area; the second is the constraints of the local housing allowance in terms of incentives to work, which, in fairness, is in common with the problems of the previous housing benefit system. Both issues have been drawn to my attention by individual constituents affected by them, and by the local authority and other organisations that work in the area and support people—particularly the homeless—during their transition into work.

First, on the absolute level of LHA that is payable, the Minister will know that the Highland council is treated as one broad rental market area for the purposes of setting housing benefit rates. Certainly, from the local authority's point of view, there is no problem with having a single rental area. The question is what assessment has been made of the appropriate level of rent to be paid within that area and the effect it is having, particularly in the city of Inverness. The Minister will know that, for example, the LHA rate in the highland area for one-bedroom accommodation with shared facilities is £69.09 a week and that that increases to £170.53 a week for a four-bedroom property. Obviously, there are a range of options in between.

I want to draw the Minister's attention to the significant shortfalls in the rental market in Inverness. In the context of people who are on low incomes, the significant rises that have recently taken place in rent levels in the private sector in Inverness have meant that, depending on the size of the property, there are shortfalls ranging from about £50 to £100 during the course of a month. Of course, that adds up to a significant amount of money during a year—perhaps £600 to £1,200. For those who are entitled to the maximum LHA, having to find that money on top of the benefit that they receive is a significant problem. However, a taper to the benefit means that the benefit is withdrawn at a sharp rate when someone's income rises—I think 65p in the pound is the figure, but the Minister will correct me if that is wrong. In particular, those in low-income jobs are experiencing a dramatic shortfall.

The purpose of the taper is to ensure that people who are in work make a contribution to their rent, and, of course, that is right. However, the point I am making is that particularly in Inverness there is a significant shortfall in the availability of accommodation in the private rental sector. From the research I have done and the comments made to me by constituents, the maximum LHA appears to be lower that the average rental level. When we debated this in the Committee on the Welfare Reform Bill, I understood that the intention was to try to find an average level, so that there would be some levels above and some below. I think the word "median" was used by Ministers in the Bill Committee.

Particularly in Inverness, it seems that the rental market is significantly below that level. In principle, from the Government's point of view, that has one cost: the shopping-around benefit is not as freely available as Ministers intended it to be when we started dealing with the matter. Secondly, from my constituents' point of view, a large number of people are facing shortfalls, even when they are on the maximum level of local housing allowance. That is causing serious financial hardship at a time when, as hon. Members know, people are under a huge range of other financial pressures in their lives—for example, rising energy bills and so on.

We do not need to go into the detail of that, but it does provide an important element of backdrop and context to the issue.

During the past year or so, we have seen—and I am sure we will continue to see as the effect of the credit crunch begins to bite—significant rises in rental levels. There are also constraints on supply in the private rental sector. I would be interested to hear from the Minister how the rate is set and how often the rent officers responsible for establishing the rate in the highlands, who are based in Dundee—*[Interruption.]* I have nothing against Dundee; I say that because I see that the hon. Member for Dundee, West (Mr. McGovern) is here. I am delighted to see him. I would be interested to know how often rent officers travel to Inverness to spend time in the city and look at rent levels to ensure that the local housing allowance is consistent with the objectives of Government policy. At the moment, the rate paid in the highlands is not meeting the objectives that the Minister has set out. In the context of rising levels of rents in the private sector, what instructions has he given to rent officers about the frequency with which local housing allowance rates should be updated?

Of course, there are also questions about the nature of the broad rental market area itself in the highlands. Any broad market area should be appropriate and a judgment has been made by the Government—and the council agree with this—that the highland area should be treated as one broad rental market area. I do not wish to challenge that decision, but I want to say to the Minister that the highlands is a large area that has a significant city—Inverness—and lots of rural areas. The local allowance level within such a diverse broad rental market area has to be set at a level that is fair throughout—it has to be fair to the city and to the rural areas.

The Minister will know that in addition to Inverness there are a number of areas outside Inverness where significant pressures on the private rental sector have pushed rents up—I draw his attention to some of the towns in Nairn, Badenoch and Strathspey in my constituency. I know other MPs in the region have similar experiences in other places where the housing market is under particular pressure. The anecdotal evidence I have had from constituents is that the problems of shortfalls in local housing allowance that I am describing also apply in those places.

The issue of work incentives has, again, been drawn to my attention by constituents who feel that the tapering of withdrawal rates of the local housing allowance acts as a disincentive to work. A particular problem for some of the most vulnerable people in our society has been drawn to my attention by those working in the homeless sector. People with serious drug or alcohol problems who are in the initial phase of recovery base themselves in a hostel or other supported environments where the amount of state supported rent payable is particularly high. Examples have been drawn to my attention where getting back into work would be of significant benefit to individuals; yet, the way in which the system is set up and the speed with which benefit is withdrawn once an individual starts work disincentivises at least some of those people to the point that they decide not to take appropriate work.

I will not give the names of people involved in cases, but a case has been drawn to my attention of two twins who were recently started on methadone as a way of recovering from their drug addictions. They were told by advisers at Job Centre Plus that it would be better if they stayed on income support and housing benefit because it would not be financially viable for them to start work while they are in temporary bed-and-breakfast accommodation. Both were well enough trained to get a job and, in the opinion of the people who were advising and supporting them to get into work, doing so would be of significant benefit to them. There are a number of other similar examples.

Of course, that is a problem in the highlands and other areas where there is an accommodation shortage. People tend to spend more time in expensive bed-and-breakfast accommodation and the steepness of the taper means that people who get into work have to rapidly spend a large sum of money to meet the cost of accommodation or be homeless. Alternatively, the choice is not to go into work and face that dilemma.

When thinking through his plans for the next phase of welfare reform, will the Minister give particular consideration to the needs of people who are vulnerable? Both he and Liberal Democrat Members want to see such people get back into work. Will he particularly consider the incentives that the housing benefits system offers to people in that category and whether the costs of temporary accommodation mean that the disincentive to work is very strong indeed? The shortage of housing means that people spend a much longer period in temporary accommodation than they would normally be expected to. The current system might harm someone's ability to recover from their condition and get their life back on track, which is an objective that we all share.

I look forward to hearing the Minister's response and I hope my comments will be useful to him in planning the next phase of welfare reform. In particular, I hope that he will encourage the rent service to take another look at the way in which LHA levels are set in the highlands and that he will ensure that the level is appropriate for all parts of such a large area.

4.29 pm

The Parliamentary Under-Secretary of State for Work and Pensions (Mr. James Plaskitt): I thank the hon. Member for Inverness, Nairn, Badenoch and Strathspey (Danny Alexander)—on this occasion, I have listed all the places that he represents, because it is appropriate to do so—for raising an important issue, and I congratulate him on the way in which he presented his case. I know how closely involved he is with the wider welfare reform agenda. As he said, he and I have debated it before, and I am pleased that we can continue to do so. I welcome his statement on the record, again supporting the broad principles of the reform relating to local housing allowance. I am grateful to him for making clear his position on that.

It may be helpful if I set out some of the background to the locality reviews that have taken place as part of the introduction of the measure. First and foremost, I want it to be clear that keeping localities under review has always been the responsibility of rent officers. There is nothing new in making changes to boundaries. I welcome what the hon. Gentleman said in support of the new boundaries in his area. Those decisions are considered independently by professional rent officers in the three national services. However, it is true that a

[Mr. James Plaskitt]

fundamental review of localities was undertaken partly in anticipation of the introduction of LHA. It was essential that we delivered on the key aims of LHA, which I know the hon. Gentleman supports. Those aims were to provide greater simplicity in the system and to give customers more choice.

The localities, or broad rental market areas, on which LHA rates are based need to be large enough to reflect the generality of the local housing market. There is no point in telling our customers that they can make choices about their accommodation, and then restricting localities to areas consisting of just a small neighbourhood or even a few streets. I recognise that there has been a significant reduction in the total number of localities, but that simply reflects the changes in the way in which people access health, education and recreational services.

It is just three months since LHA began to be applied nationally. So far, all reports that we are receiving indicate that the allowance is working well and that its introduction is going smoothly. That is a triumph for closer working between central and local government. The substantial levels of financial and practical support that the Department for Work and Pensions provided in the run-up to the introduction of the allowance have gone hand in hand with the drive and determination of our local authority colleagues to implement the new allowance at local level.

We recognise that the introduction of the allowance is a big change for tenants, local authorities and landlords alike. That was a key part of our decision to introduce it on the basis of new claims and changes of address only. I am grateful to the nine original pathfinder authorities and the second wave group of local authorities which worked so hard to test the LHA scheme for us, through both the formal evaluation process and the work that they have done subsequently to support the introduction of the allowance. LHA was perhaps the most comprehensively evaluated reform ever introduced in respect of housing benefit.

The advantage is not only that LHA will make demonstrable improvements to the housing benefit system. There is also the contribution that I am convinced it will make to our wider objectives for welfare reform, about which the hon. Gentleman spoke. Central to that is the role that LHA will play in promoting personal responsibility. Five years ago, when we first promoted the idea of direct payments to customers, there was a stack of concerns from many of our stakeholders, but the financial inclusion agenda has moved on since then, and there is no logical or any other argument that should prevent housing benefit tenants from taking responsibility for paying their own rent. On the contrary, the evaluation evidence from the pathfinders clearly shows that the vast majority of our customers can and do make paying their rent their utmost priority.

We have also given a clear message that we want the housing benefit system to do more to help to support incentives to work. Improving the speed at which housing benefit claims are assessed should help to give people the security that they need and reassure them that their benefit claim will be assessed quickly when they take a job. It is worth reiterating that housing benefit is also an in-work benefit. That point is often not understood, but the benefit can carry on providing support to someone when they move from unemployment into work, notwithstanding the taper point as income levels rise. Furthermore, LHA can play an important role in encouraging people to use bank accounts and become financially independent. I am delighted with the positive feedback that we have had so far from many local authorities on the work that they have been doing with local banks to promote the use of accounts and direct payment.

I come now to the points raised about the highlands area and especially the changes to locality boundaries. As with all the locality reviews, rent officers consulted at local level on the proposed changes. In this case, as the hon. Gentleman said, all five local authorities affected agreed to the proposal in advance. I recognise that the locality that we are discussing covers a large geographical area, but that merely reflects the rural nature of the highlands area and, in particular, the fact that the majority of services that people take advantage of in that area are centred on Inverness.

From a practical perspective, we anticipate that virtually every customer in the highlands area will see no change or will gain when their cases are reviewed by rent officers after 52 weeks. Specifically, the indicative figures that we have available suggest that in relation to the five local authorities, we can anticipate the following impact. The largest local authority caseload is that of the highlands. There, 87 per cent. of people are likely to see virtually no change in their entitlement, and the remainder, 13 per cent., are expected to gain from the change.

The second largest caseload is that of Moray. There, no one should lose out at all and about 11 per cent. should be gainers. In the Shetlands, about one third of customers could gain and the rest will see no change. In Orkney, about 18 per cent. should gain and no one should lose. In Eilean Siar, 6 per cent. may gain and less than 1 per cent. could lose out if they are still claiming after 52 weeks. We believe that, collectively, well over 99 per cent. of existing customers within the locality will see either an increase or no change in their housing benefit as a result of the locality review.

I understand the point that the hon. Gentleman makes about the shortfall that may exist between the level of the allowance and the rents that people face, but that was true also under housing benefit. It is important to stress that the move to LHA will not, with the exception of a very small number of customers, make that situation worse for any of his constituents. For a significant number, it will make the situation better. It will narrow the shortfall, because they will gain under LHA as opposed to what they receive under housing benefit.

A key advantage of the transparency of LHA is that customers who make a new claim or change their address in the private rented sector now know in advance how much benefit they will receive. That is a marked improvement on the old arrangements under housing benefit. It will enable them to make the right accommodation choices for themselves and their families.

Danny Alexander: The Minister makes the point that shortfalls occurred under the old system, too, and he is right about that. What assessment has he made of the numbers of people—I am particularly interested in the Highland council area, but perhaps he has considered a wider area—who will make gains on the basis of the shopping around benefit, which was another of the Government's selling points in relation to personal responsibility, under the new system?

Mr. Plaskitt: That is down to choices that people will make as individuals. It is difficult for me to anticipate that. The hon. Gentleman is asking me to anticipate circumstances in which families or individuals seek to move, and then to second-guess what choice they might make about the accommodation that they go to. The whole point of LHA is to hand that choice back to individuals and to give them the foreknowledge of how much support they can receive under LHA for whatever type of accommodation they are considering, in order to enable them to make the choice themselves. It is not possible to guess what they will do. Giving people the freedom to choose is exactly that.

Another important point is that we have, quite rightly, reflected the market definitions in the way in which LHA rates are set. I am referring to their being based on the number of bedrooms in a property, rather than the number of habitable rooms. That is an important part of promoting the transparency of the scheme, for the customers and other stakeholders. After all, no one would advertise a property, for example, as a five-room house. It would be advertised as a three or four-bedroom house. It is essential to note that, as a result of the important change that we have made, local rent review and local housing allowance rates cannot be directly compared in the way that some have suggested.

More importantly, however, I stress that we have never said that we intend to move existing customers from the present scheme to the new LHA rules. Those concerns are unfounded, and we have undertaken to review the first two years of the scheme before making decisions on whether, and if so how, we might migrate existing customers.

I appreciate that there are concerns about the availability of rented housing in the Highlands area—and in my constituency, too—but given the current position, I do not accept that the introduction of LHA will adversely impact on a customer's ability to find suitable accommodation. Indeed, for a significant number it will help.

There is no doubt that housing benefit plays a vital role in supporting people on low incomes. In many cases, those customers would simply have nowhere to live without such support. It is therefore imperative not only to provide an excellent service to our customers, but to continue to put housing benefit at the heart of the social security reform agenda. We know that housing benefit can play a key role in helping people back into work, in securing decent accommodation and in keeping pensioners out of poverty. I am convinced that the introduction of LHA can only help us to meet these objectives.

Nursing and Midwifery Council

4.41 pm

Mr. Jim Devine (Livingston) (Lab): Three months ago, I stood here and made some serious allegations about the world's largest health care regulator—the Nursing and Midwifery Council. I claimed that the NMC was a fundamentally dysfunctional organisation, with poor governance, a lack of transparency and a culture of bullying and racism. The NMC strenuously denied those accusations, claiming that it did not recognise the organisation that I had described. The NMC might not have recognised that description, but others certainly did, and they came forward to the inquiry ordered by the Minister in response to the debate.

That inquiry, conducted by the Council for Healthcare Regulatory Excellence, confirmed those serious allegations, yet the NMC continued almost to be in denial. The CHRE's damning report was given to the council on 6 June, nearly six weeks ago, yet it has taken it until today to hold an urgent meeting to discuss the report's findings. However, other things occurred during those six weeks.

Of particular concern to me is what has happened to my constituent, Moi Ali. She was vice-president of the Nursing and Midwifery Council, a role that she took very seriously. She had longstanding concerns about the NMC, and she and others continually raised those matters internally. However, she was rendered powerless; she believed that the president, the chief executive and others had excluded her and subjected her to a prolonged campaign of harassment and bullying.

The things that happened to her are frankly disgraceful. I am therefore pleased to report that, having found a prima facie case of racism, the Equalities and Human Rights Commission is providing Moi Ali with legal support in her case against the NMC. The full details of her treatment will be heard at a tribunal.

Ms Ali came to see me just before Christmas to tell me of her serious concerns. She gave me hard evidence to back up each and every one of her allegations. She told me that she was not alone in being worried about the NMC's ability to protect the public. She showed me a letter that she and seven other members of the NMC—a third of the council—had sent in June last year to Lord Hunt, then Health Minister, pleading for help while there was still time to get the NMC back on course. Sadly, he declined to reply. A civil servant wrote to them stating that the NMC's problems should be resolved from within, despite those council members' well-founded belief that the NMC was incapable of doing so.

Astonishingly, the Department of Health told the NMC about the confidential whistleblowing letter to Lord Hunt. What was the NMC response? Did it ask Moi Ali, who openly admitted signing the letter, for a copy? No. It secretly spent thousands of pounds, money that was intended for public protection, on lawyers in a bid to obtain the letter from the Department. Did it ask Moi Ali about her governance concerns? No. Instead, it mounted a witch hunt to unmask the other signatories, who were understandably too afraid to step forward.

Mr. Jim McGovern (Dundee, West) (Lab): I am grateful to my hon. Friend for giving way. I congratulate him on securing this important debate. If the account that my

[Mr. Jim McGovern]

hon. Friend is so eloquently setting out is accurate—I have no reason to doubt it—I am horrified. Is his constituent a member of a trade union? If so, has she received adequate and appropriate support from the union?

Mr. Devine: My constituent is a member of Unite and the National Union of Journalists, and she is being given full support as she pursues her claims.

Julie Morgan (Cardiff, North) (Lab): I thank my hon. Friend for giving way. I, too, congratulate him on securing this debate. I, too, am shocked at what he has said.

My hon. Friend will, I am sure, be shocked to hear what happened to Jenny Traves of Birchgrove in my constituency in her dealings with the Nursing and Midwifery Council. She heard about a professional misconduct hearing against her independent midwife only through the local press, even though she was the patient involved. She went to the hearing in order to praise the midwife for her care and sensitivity following the stillbirth of a daughter. However, her truthfulness was questioned and her evidence dismissed. Her hospital notes were used at the hearing without her consent. She was asked to leave the hearing when her baby started gurgling, but was not allowed in again, even though the baby was by then asleep. To cap it all, one panel member fell asleep; and the panel had obviously been given no training. Does my hon. Friend not agree that that is a poor way to carry out such proceedings?

Mr. Mike Hancock (in the Chair): Order. Before the hon. Gentleman replies, I urge Members to be extremely careful. If that case is the subject of a tribunal hearing, it might be prejudicial to the person's case if too much of it is discussed here. Although the case might not be sub judice, what is said might be prejudicial to the outcome of the tribunal. I would hate it if we had put someone in a disadvantageous position because what had been said here.

Mr. Devine: I am grateful, Mr. Hancock, for that advice. I was very aware of the problem when preparing my speech. I have received a document from the Independent Midwives Association, and since I first raised the question in March, I have been inundated with complaints similar to that mentioned by my hon. Friend the Member for Cardiff, North (Julie Morgan).

The NMC spent tens of thousands of pounds on pursuing a formal investigation. The letter to Lord Hunt was sent more than a year ago and the CHRE report clearly vindicates the actions of the signatories, yet the disciplinary investigation continues. Those council members have been subjected to a year of considerable stress merely for doing the right thing in seeking Government help for the organisation.

When the CHRE report was published, Ms Ali and the other whistleblowers breathed a sigh of relief, as their concerns and actions were completely vindicated. However, that sense of relief was short-lived. Civil servants—those who had refused to help—pressured my constituent into resigning. She refused. From her perspective, she was the good guy. She had helped to expose the wrongdoing, having first tried to address it internally. She was the victim of bullying, so why should she resign? The civil servants said that as she was part of the leadership, she had to go. The fact that she had been actively and deliberately excluded from any leadership role was totally ignored.

Mr. David Hamilton (Midlothian) (Lab): I followed the previous debate, and I am following today's. The House has passed legislation on the protection of whistleblowers. Has my hon. Friend's constituent been able to make use of that? My hon. Friend also mentioned money; how many thousands of pounds will be needed to stifle this discussion?

Mr. Devine: I am grateful for my hon. Friend's intervention. I shall deal later with the fact that whistleblowing has excluded people such as Moi Ali. As for the money, I understand that nearly £400,000 has been spent.

In the House of Commons, the Minister publicly called for the resignation of my constituent, and in the same breath congratulated the president and the chief executive for showing leadership by resigning. My constituent maintains that those people were part of the problem, yet they got pats on the back, whereas she was forced out. The people in charge of the mess have supposedly resigned, yet they continue to lead the organisation. The president will demit office, but not until next month, more than two months after receiving the report. Perversely, she intends to remain an NMC member and is claiming not to have known about the problems despite being on the council for years. Amazingly, the chief executive has given no indication when she will go. The immediate past president, Sandra Arthur, who is widely acknowledged to have played a principal role in this terrible mess, has made no statement about her position and appears to have no intention of resigning from the council.

If we have any doubt about the incompetence of the organisation, we need only look at the contents of a report that has been produced by NHS London about a man called David Britten, a nurse who had sexual relations with 23 different women patients. The NHS London report states:

> "We were concerned at the lack of cooperation we received from the Nursing and Midwifery Council during this investigation"

and goes on to detail that the organisation actually blocked the investigation. NHS London was not given access to files on the man. He was sacked by the health authority in 2002, yet continued to practise till 2004 and was not removed. This man was a beast and should not have been anywhere near patients, but because of the prevailing problems within the NMC, his behaviour was allowed to continue.

May I give some detail of what was going on? One of the 23 patients was treated as an out-patient from late 2000 until early 2001. The sexual relationship continued during that time. When she went to the clinic, they would engage in heavy petting and oral sex in his office. David Britten continued to telephone her after his suspension. Today, Professor Morris-Thompson, the senior nurse in London, said that the NMC was very unhelpful during the inquiry.

As a trade union official who has worked in the health service I have read many such reports, but I can say that this case is appalling. The Minister will be as embarrassed as I am about the details of it and the NMC's behaviour.

Mr. McGovern: I could not claim to be totally familiar with the case to which my hon. Friend is referring, but I am aware—I do not think he has mentioned this—that the 23 patients who were manipulated into sexual relationships were extremely vulnerable. They were not what we would regard as normal patients, but people in a very vulnerable condition.

Mr. Devine: I am grateful to my hon. Friend for that clarification. That is exactly right. The man was in charge of an eating disorder clinic, and my hon. Friend is right that the patients were vulnerable.

Those are exactly the issues that Moi Ali raised both internally and with the Minister last year. Moi Ali is a fairly well-known author; she has her own public relations company and is without any doubt a leader in her field, and she has been a member of other public bodies. As a consequence of resigning, she was forced to resign from NHS Lothian, for which she was an independent board member who sought to serve the interests of the people in my constituency. Why? She was forced to resign because the chairman of the health board did not wish to be associated with anyone who had a leadership role in the NMC, despite the fact that she was denied such a role and was the victim of bullying, not the perpetrator.

Where do we go from here? I am sure that the Minister will talk about the report and the fact that the NMC behaved in such an appalling manner to the inquiry that was set up in 2006. The NMC is there to protect the public from individuals such as David Britten, but instead of co-operating fully, as the report says, the NMC was not helpful.

The chief executive of the NMC must leave immediately, making way for an interim troubleshooter who can restore sound management to the organisation.

Tom Brake (Carshalton and Wallington) (LD): I am sure that the hon. Gentleman will accept that although it is appropriate for Members of Parliament to defend their constituents, it is incumbent on them to be circumspect under parliamentary privilege about people who are not able to defend themselves in this Chamber.

Mr. Devine: I totally agree and accept what the hon. Gentleman says, but I have been told, informally, about problems within the NMC for the last three or four years, even before I was in this place, and nothing was done. I have files about three inches thick with complaints of the type that we have heard. I am sure that the hon. Gentleman has not had a chance to read the report, but when he does, he will recognise my concerns, and that the solutions that I am offering are valid.

The president also needs to go. It is gross hypocrisy for either official to spend one more day in office. The past president should also resign from the council. Those people have no credibility and the report shows that they put public protection anywhere but first. It is a nonsense that individuals who have been found wanting by an independent review are still in charge of the world's biggest regulator—it governs the actions of about a third of the NHS regulated work force, 700,000 nurses, throughout the UK. That is a scandal, and while the situation continues, no one—nurses, midwives and the public—can have any faith in the organisation.

The vice-president should receive public acknowledgment from Government for the positive role that she played to help bring such matters into the public domain. The whistleblowers who tipped the Government off about problems at the NMC should have the ludicrous disciplinary procedures that have been brought against them dropped immediately. They have done nothing wrong, and it is a waste of hard-up nurses' and midwives' registration fees to pursue them when the money should be spent on public protection.

Many mistakes have been made in this saga, and many questions need to be answered. As the problems at the NMC are long-standing, will the Minister explain how previous CHRE annual reviews provided the organisation with a clean bill of health? Did the NMC systematically provide false and misleading information in previous years to receive favourable reviews from the CHRE? In light of the CHRE report and today's report, will the Minister call in the Charity Commission and the Privy Council to investigate the NMC root and branch? Will the Minister confirm that trustees who are whistleblowers will be given the same legislative protection as employees? If not, will the Minister extend the Public Interest Disclosure Act 1998 to cover them, so that it will be unlawful for public-spirited whistleblowers to suffer personal detriment as a result of their actions?

The Minister has some questions to answer and I hope that he does not attempt to distance either the Government or himself from the debacle. Members of Parliament and members of trade unions have been formally and informally advising Ministers of the problem for well over a year. Will the Minister place on record when he was first advised of the matter and what action he took? On 17 June, prior to Health questions, he advised me that the trade unions, including Unison, and the Royal College of Nursing and the Royal College of Midwives were demanding that Moi Ali go. They will feel that they were on the wrong side of the debate when they read today's report. How was contact with those organisations made? How can we ensure, given that there is an all-appointed committee, that we can resolve problems with leadership?

This has been a sorry saga, and hopefully we are coming to the end of it. Nothing short of righting the wrongs will begin to restore public trust and confidence in this most important organisation.

4.59 pm

The Minister of State, Department of Health (Mr. Ben Bradshaw): I congratulate my hon. Friend the Member for Livingston (Mr. Devine) on once again raising this important issue and thank him for doing so.

It is important to make it clear from the outset that the NMC is an independent professional regulatory body, and one that has been in trouble for some time. The locus for ministerial or any other outside interference in such a body is limited. As my hon. Friend will know, having followed the matter closely, one of the main challenges facing the council has been a complete breakdown of relations among its leadership and on the council. Quite rightly, he has concerned himself with the case of one of the individuals concerned, the outgoing vice-president, who is his constituent. However, he will be aware that other members of the NMC's leadership have taken a different view from hers. Indeed, the hon. Member for Carshalton and Wallington (Tom Brake) intervened on behalf of his constituent, the outgoing chief executive.

[Mr. Ben Bradshaw]

It is not the Government's job to take sides in a dispute such as this, nor should it be. Given the length, depth and rancour of the disagreements that have plagued the NMC's leadership, that would be impossible.

Tom Brake: I hear what the Minister says about not intervening, but he will be aware of the correspondence that he has signed off to the chief executive, the president and the vice-president, which is a clear and forceful Government intervention in the matter.

Mr. Bradshaw: Yes, and of course I will come to that in a moment.

We have not passed judgment on the performance of any of the individuals concerned, and we will not do so. When my hon. Friend the Member for Livingston and others initially raised their concerns, we urged the NMC to try to address them. However, by the time he secured his previous Adjournment debate on the subject, in March, it was clear to both him and me that the NMC was not capable of resolving its difficulties itself. In light of that, I asked the Council for Healthcare Regulatory Excellence—the regulator of regulators—to expedite its routine annual report on the NMC and to address specifically whether the NMC was performing its statutory functions. We also alerted the Charity Commission to our concerns about the NMC. At the time, my hon. Friend welcomed those courses of action.

The CHRE subsequently spent considerable time and resources looking into the NMC. Its work was led by its highly respected chief executive, Harry Cayton, who has had a long and distinguished career in the public service and representing patients' interests. At the end of that process, the CHRE published its report on 16 June. It was devastating. Without seeking to apportion blame to any particular individual, it stated that the leadership of the NMC had failed to carry out its statutory duties to the standard that the public had a right to expect and that it had lost the confidence of some of its stakeholders. It further stated that there was little evidence that the council had the leadership to extract itself from its current difficulties.

After I had discussed the investigation and the report with the chief executive and chair of the CHRE, the chief nursing officer, Unison, the Royal College of Nursing and the Royal College of Midwifery, it was clear to me that the NMC would not be in a position to recover unless its chief executive, president and vice-president all stepped down. That is the background to the letters I sent to those three people. I made it clear that we did not have the power to remove them or force their resignation, but that we believed that it would be in the best interests of both the NMC and themselves if they stepped down from their positions. I said that if Ministers were questioned on the matter in Parliament, we would have to answer accordingly. We welcome the leadership shown by all three in deciding to step down.

As for the NMC itself, it will now be important for it to demonstrate how it plans to address the recommendations made in the CHRE report. For its part, my Department considers that the NMC should put in place an action plan to implement all the recommendations.

Mr. McGovern: Have the people the Minister complimented on their leadership for agreeing to stand down now gone? If so, when did they go?

Mr. Bradshaw: The vice-president has gone, although there was no requirement on her to leave the council altogether, and the president has indicated that she will depart her position in August. The chief executive has also indicated her intention to resign, but I imagine that as an employee, she will have some contractual arrangements to discuss.

The NMC might wish to consider seeking independent support to help it look afresh at its fitness-to-practise procedures. I note that today, the RCM, RCN, Unison and Unite have jointly offered to help the NMC and urged it to give serious consideration to making an external appointment. They also made a number of other sensible recommendations.

The Government believe that the existing system, whereby professional members are elected to the council, has contributed to the difficulties faced by the NMC. We are changing its governance, and that of all the other health care regulatory bodies, so that in future all members will be appointed. We believe that should help to resolve the council's underlying problems.

As a result of the CHRE report, we are also accelerating the planned reforms to the governance of the NMC. The Nursing and Midwifery (Amendment) Order 2008 has now received Royal Assent, and we are already consulting on a new constitution order for the NMC. We intend that the new council will be appointed through the Appointments Commission against set criteria of skills and competencies, which will ensure that all members of the council are competent board members. We propose to include in the constitution order provisions to allow both council members and employees to notify the Privy Council if they have concerns about a council member and consider that the member should be removed. We are on track to have a new, wholly appointed council in place by 2009.

I turn to the specific points made by my hon. Friend the Member for Livingston. On 24 June, the trade unions made a clear statement. The RCN, Unison and the RCM stated:

> "The CHRE report makes it clear that these problems are of long standing and have not been addressed with the speed that they should have been…We commend the actions of the President and Chief Executive in putting the interests of the organisation first and we would urge the vice president to do so also."

My hon. Friend asked me when I first heard of the problems to which he has referred. It was when he intervened during the Report stage of the Health and Social Care Bill on 18 February. After that, we agreed to have a private meeting. He then secured his Adjournment debate, which took over from that private meeting. Ever since then, we have been in close contact, as I have been with other hon. Members.

My hon. Friend asked about the allegation that the CHRE report findings contradict its own performance assessment made in March. Of course, that is a matter for the CHRE, and I understand that it has said that that is not the case. He is welcome to take the matter up with the CHRE, and I understand that he has had a number of conversations with its chief executive in recent weeks. I am sure that the chief executive will be happy to speak to him about the matter.

Many difficult issues have been raised in the debate. However, we believe that it is important that the Government remain focused on what matters most, which is ensuring public and patient safety. That requires a robust system of professional regulation, with adequate checks to monitor the performance of regulatory bodies and detect problems before patient safety is compromised.

My hon. Friend asked about the David Britten case. The CHRE's performance review of the NMC, although it covered a period later than that of the David Britten case, raised significant concerns about the NMC's fitness-to-practise procedures and highlighted delays in investigating cases on occasion. As I have said, it is important for the NMC to put in place plans to address the concerns raised in both the CHRE report and the report on the David Britten case.

There will always be a balance to strike to ensure that the bodies regulating health professionals are independent of Government as well as of the professions that they regulate. The performance review process undertaken by the CHRE is an important component of the regulatory system and helps to ensure that the right checks and balances are in place. This is clearly a difficult time for the NMC, and I am sure that everyone in the Chamber supports the council in addressing the issues raised in the report. I hope that it will soon be in a position to provide reassurance about how it plans to proceed, and that we will then be able to draw a line under what has happened and look to the future and a fresh start for the NMC.

Mr. Mike Hancock (in the Chair): I thank Mr. Devine, the Minister and all the Members who have taken part in an interesting but difficult debate. Thank you all for your attendance.

Question put and agreed to.

Adjourned accordingly at nine minutes past Five o'clock.

Westminster Hall

Thursday 17 July 2008

[MR. EDWARD O'HARA *in the Chair*]

Armed Forces Medical Care

[Relevant documents: Seventh Report from the Defence Committee Session 2007-08 HC 327 and Sixth Special Report (Government Reply).]

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Blizzard.]*

2.30 pm

Mr. James Arbuthnot (North-East Hampshire) (Con): It is an enormous pleasure and an honour to open this debate under your chairmanship, Mr. O'Hara. It is about a matter that is crucial to the armed forces, who give so much for our country. The debate is about medical care for the armed forces, and follows on from a report that the Select Committee on Defence began in October 2006.

It may ruin the suspense, but I shall summarise our report by saying that the headline result was that Defence Medical Services gives our armed forces world-class care, which is every bit as good as, and sometimes significantly better than, that provided in the United Kingdom. It is right for me to open the debate by paying tribute to Defence Medical Services and to the men and women who, often in extreme danger, give such high-quality care to the men and women of our armed forces.

The person who acted as my bodyguard in Kabul last week said that he had been injured in the C-130 Hercules that was attacked in Helmand and that if he had not been completely under the influence of morphine at the time, he would have liked very much to go back and thank the medical people who had given him such dedicated, professional and tender care when he was injured. I told him that we were having a debate in the House of Commons this week, and that I could do so on his behalf. He was genuinely grateful to be able to discuss the sort of quality care that he had received; he was just one example among the many thousands of people in our armed forces who receive such quality care.

At the outset of our inquiry, there was a flurry of media reporting about shortcomings at Selly Oak hospital, but that did not prompt our inquiry. The Defence Committee covers all the different strands of what the Ministry of Defence does, and we wanted to examine the full range of health care provision for armed forces personnel and their families. The inquiry was launched against a background of increasing concern for the general welfare of the armed forces. Nowadays, our soldiers—I am referring to all members of our armed forces—must contend not just with the enemy and with privations in the field, but with the media. They must contend with coverage of what they are doing that did not previously exist. That is a thoroughly good thing—the more the people of this country know about what we as a nation ask our armed forces to do, the better. Media coverage of operations in Iraq and Afghanistan has been positive and helpful, but I shall come to some aspects of the coverage of our defence medical services.

The Committee held four evidence sessions during 2007, including one in Birmingham and one at the Scottish Parliament, partly because of our drive to try to make the Committee less Westminster-centric. I pay tribute to the Committee for its care and professionalism in conducting our inquiry, and to its staff. The Clerks did a fantastic job in sorting out the large amount of information, not just from oral and written evidence, but from a web forum, which is the new way of communicating with the public, and a thoroughly good thing. The Committee's final session included the Minister—it is good to see him in the Chamber—and officials from the Ministry of Defence and the Department of Health, and it is good to see them, too. It was a useful and productive exercise in interdepartmental scrutiny.

We visited medical facilities throughout the UK and in Cyprus, Iraq and Afghanistan. Whenever we go to Iraq and Afghanistan, we try to see some of the medical facilities. The web forum that I mentioned brought in many interesting and helpful views of ordinary servicemen and women, and their families. We received responses from people who would not have been able to participate if the intake of evidence had been limited to those who appeared before us. Our report addresses six main areas: the treatment of casualties from operations, rehabilitation and aftercare, co-operation with the national health service, care for veterans and service families, mental health, and the role of reserve medical personnel.

On operational casualties, we visited the Royal Centre for Defence Medicine at Selly Oak in Birmingham because that is the main receiving centre for casualties from operational theatres. We found that the clinical care was excellent, and that the staff, both military and civilian, were first class, and we were hugely impressed by the personnel we met at some of the Ministry of Defence hospital units outside Selly Oak, many of which we also visited.

In Selly Oak, we were briefed on the Birmingham New hospital and midland medical accommodation projects, which will create a Defence Medical Services centre based on Birmingham and Lichfield. In their response, the Government stated that progress is on course for the Birmingham New hospital to be completed by 2012, and I welcome yesterday's statement from the Ministry of Defence, which set out the development of Whittington barracks in Lichfield. We hope that the two sites will provide co-ordinated, high-quality medical training and administrative services. The medical staff we met in Selly Oak were very much looking forward to what they clearly regard as an exciting new hospital that will provide even better care than is given at the moment.

I said that I would come to the issue of press coverage. It is necessary, but we must consider whether it is good coverage. The Committee's report was strongly critical of some of the media coverage of supposed incidents at Selly Oak. We concluded that some stories had been printed without being verified, and in some cases despite the trust flatly denying them. We described that as irresponsible and reprehensible. We know that those stories had a serious effect on the morale of staff at Birmingham—we heard that some of them had been in tears as a result—and that service personnel and their families were worried about whether they or their families would receive decent care if they were wounded.

Linda Gilroy (Plymouth, Sutton) (Lab/Co-op): Was the right hon. Gentleman as shocked—or perhaps distressed—as me to learn of the time that had to be dedicated to dealing with those press inquiries? If I remember correctly, I think we were told that the time spent on the matter was as much as that of a full member of staff—one of the matrons.

Mr. Arbuthnot: Yes, we did hear that. It is not right for people who ought to be devoting their time to looking after our wounded servicemen and women to be running around putting out bush fires from stories that are incorrect. The words in our report were pretty harsh on that. Since then, the defence correspondent for *The Daily Telegraph*, Mr. Harding, has written to me to protest at the characterisation of the media coverage, which he said was wrong. He gave us details of the incident about which he had written, and I have asked for and received his permission to forward those details to the Ministry of Defence for its comments. I shall be doing that either later today or early next week. If we were wrong about those reports, of course, we will say so. We have no wish to perpetuate a falsehood. However, we took evidence on those matters and it was not challenged for six months, although it was displayed on our website. I look forward to hearing what the Ministry of Defence has to say about that.

Mr. Kevan Jones (North Durham) (Lab): The right hon. Gentleman will remember that I raised that issue directly with the trust when we took evidence in Birmingham. Is it not the case that the trust has not only refuted what are in some cases wild stories, but that it told us it has received no direct complaints from any member of the armed services or their families that can be linked to any of the more outrageous stories that have appeared in *The Daily Telegraph*, which were repeated the other day in that paper?

Mr. Arbuthnot: Yes, that is the case. It is also the case that we asked the trust about the general level of complaints at Selly Oak. My impression of the answer we received—this is something that I am remembering from about a year ago—is that the general level of complaints was running at about 10 per cent. of the level for other trusts in the country. That fact backs up our impression that Selly Oak is providing a good service to our injured service personnel.

Mr. Mike Hancock (Portsmouth, South) (LD): In support of what the hon. Member for North Durham (Mr. Jones) has just said, the inquiry was not short. It took place over a long period of time and we received much publicity for the hearings that were held. I was rather surprised that no journalists submitted evidence of their view that the services provided at Selly Oak and elsewhere were not up to standard. No evidence at all was provided to the Committee by anyone who had engaged in smearing the Selly Oak facility. Is the Chairman of the Committee rather surprised that nobody came forward during the evidence stage to back up the stories that had appeared?

Mr. Arbuthnot: I am grateful to the hon. Gentleman for that intervention. Yes, I was surprised. However, the fact that nobody came back to us reinforced in our minds the view that our conclusions—harsh though they were—were pretty correct. Now we have permission to pass the details of the matter to the Minister, we shall do so. He will consider them and no doubt we will reach a conclusion on whether we were right or wrong. If we were wrong, we will say so; and if we were right, we will say so as well.

The Committee visited the defence medical rehabilitation centre at Headley Court in June 2007, which is an experience I dearly wish everybody in the country could share—unfortunately the work involved would overwhelm such a wonderful centre. We have much praise for the work that goes on there. The staff are committed and enthusiastic, and patients are being rehabilitated after injuries that only 10 years ago would have been fatal. Headley Court is a good news story, and the Ministry of Defence should certainly not hide its light under a bushel in that regard. In taking evidence from the Minister and from the Minister of State, Department of Health, the hon. Member for Exeter (Mr. Bradshaw), we were reassured that stories about Headley Court being under-resourced were inaccurate and that the Government are looking at the future needs of the DMRC and the resources required.

Incidentally, during our visit to Headley Court, we met several soldiers who had recently been extremely severely injured, so I welcome the recent announcement about compensation for those who are seriously wounded. Even though that is not strictly relevant to this inquiry or report, it is a welcome development.

One of the most important aspects of our inquiry was the extent to which the defence medical services co-operate with the national health system. We received many representations, some of which were vociferous, about the closure of stand-alone service hospitals—in particular, about the impending closure of the Royal hospital at Haslar. I am pleased to see my hon. Friend the Member for Gosport (Sir Peter Viggers) in the Chamber because he has fought an extraordinarily dogged and long-running campaign to save Haslar hospital. I pay tribute to him for all that he has done in that respect. He persuaded me that I ought to visit Haslar—it was not difficult for him to do so because he is a persuasive man.

However, the Committee was clear that it finds the arguments in favour of the closure of the service hospitals irresistible. We fully support the Ministry of Defence's current stance of working through Ministry of Defence hospital units based in national health service trusts and found that there was no evidence that the standards of care offered to service personnel have suffered. In fact, it was clear to us that the current arrangement brings a number of benefits in terms of training, skills and maintenance. I do not want to raise false hopes in Haslar, but I hope that its incredible skills and dedication can be put to good use. Our general impression was that closing service hospitals was the right thing to do.

Sir Peter Viggers (Gosport) (Con): My right hon. Friend specifically mentioned Haslar hospital and I am grateful to him for ~~his~~ courteous remarks. Is he aware that there are active discussions taking place with service charities and others about the possible use of Haslar as a convalescent centre? Those discussions are ongoing, but will he wish them well?

Mr. Arbuthnot: My hon. Friend keeps me closely in touch with those matters. I am not in the least surprised that Haslar, the people around it, and those involved in the campaign are producing imaginative suggestions, such as the one to which he has just referred. I certainly wish them well, because it is a valuable suggestion that will preserve the incredible skills of the people in that place.

That was the main issue on our website forum. However, when I visited Frimley Park MDHU, there was only one military patient in that vast hospital. One cannot run a dedicated hospital on that basis, particularly when one recognises that there is a need to make the best use of specialities, such as trauma and burns expertise, and eye treatment. We have to be able to move military patients to places where those specialities exist. We also have to recognise the great healing effect that being in a military environment can provide, but that healing effect, which we saw operating so effectively at Headley Court and which is also operating on the military-managed wards at Selly Oak, does not of itself suggest that we should bring back dedicated military hospitals.

Mr. Kevan Jones: Does the right hon. Gentleman agree with this argument? One advantage that was put to me when I visited the Northallerton MDHU was that such units allow staff who are deployed on operations to gain not only experience of dealing with trauma and so on, but broader experience of areas such as paediatrics, which are increasingly important as our armed forces are deployed in military/civil situations. Last week in Afghanistan, we saw the military hospital dealing with children from the local town.

Mr. Arbuthnot: The hon. Gentleman is right. He raises another argument in favour of integrating the NHS with care for our armed forces, because that creates a wide range of experience that people looking after our armed forces in the field need.

We were told on some visits that service personnel can be fast-tracked through the NHS when that is appropriate. Those arrangements, although theoretically a very good idea, seemed to be unclear. We called on the Government in their response to set out them with a good deal of clarity, and we are grateful that they did so. However, the fact that we had to ask for such clarity shows that there is still a bit of work to do on ensuring that the arrangements are transparent, understandable and understood by those who can take advantage of them.

Our greatest concern arose from our evidence session in Edinburgh, at which we took evidence from officials from the Scottish Executive. We were extremely disappointed by the laissez-faire attitude that characterised the Scottish Executive's approach to injured armed services personnel and their families, and the issue of whether those people had proper access to appropriate facilities. The Ministry of Defence has to work with a number of agencies to deliver the full range of services for the armed forces. It must be a very high priority for the Ministry of Defence to ensure greater co-operation between it and the devolved organisations. Given that our armed forces are spread all over the country and given their needs, which can be very great, unless there is better co-operation, our armed forces will suffer, which would be wrong.

On care for service veterans and families, we have no doubt that the clinical care provided to service personnel is first class, but the Government have a responsibility to veterans and services families, too. During our inquiry, the Government announced that veterans would receive priority access to NHS treatment. We welcome that, but we must see action, not only on how the access is available but on how those who are eligible for priority access are identified. We are concerned that the Government have no real plan to identify and to track people once they leave the armed forces.

The treatment of service families is also vital. How the relations of armed forces personnel are provided for is a very important factor in retaining those personnel. That responsibility is shared between the Department of Health and the Ministry of Defence. Both Departments must ensure that service families are afforded the highest possible quality of care. People should not be penalised because members of their family have joined the armed forces.

Mental health was one of the most important aspects of our inquiry. It is a heavy responsibility, and takes a heavy toll on those who have served their country. The Committee was satisfied that the provision of mental health care for service personnel is adequate, and DMS is right to pursue a community-based approach to those services. I have heard in recent weeks that there can be a worrying delay in discharging patients from the Priory. Will the Minister consider that in his reply? Veterans are extremely important in this context, because mental health problems can take a long time to develop. We were told that it took on average 13 years after discharge before someone presented for care as a result of mental health problems. The Government therefore have a continuing responsibility to those who have served in the armed forces and may have been traumatised by their experiences.

The Committee pays tribute to the excellent work that Combat Stress does in providing respite care for veterans. We greatly welcomed the additional funding that the Government announced last November, but problems will remain as long as there is no robust and systematic way of tracking veterans in the NHS. We concluded that the lack of such a process meant that the NHS had one hand tied behind its back when trying to deal with veterans' mental health needs.

Reservists play a vital role in the provision of armed forces medical care. The Territorial Army has so far provided about half the medical personnel for the deployments to Iraq and Afghanistan. We visited a TA field hospital that was about to deploy to Afghanistan and we were enormously impressed by the enthusiasm and professionalism of the soldiers whom we met. Regular and reserve personnel seemed to work seamlessly alongside one another, and there were benefits for both sides.

When we visited Camp Bastion in Helmand last week, we heard that there were some glitches. Will the Minister consider that in his reply? We heard that the field hospital reservists who trained in the UK had not been trained on precisely the same equipment as they went on to use in Afghanistan. We heard that the paperwork was slightly different in Afghanistan. We heard that the intensity of casualties was not something for which they had been prepared, but that was perhaps because we visited the hospital on a day when there was a sudden jump from nine casualties to 30 casualties. Either way, we were enormously impressed by the quality of what we saw in Camp Bastion, but it would be helpful if the Minister ensured that the equipment that

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people train on is the same as that which they operate when they get into the field, that the paperwork is easy to manage and the same as that which they use in the field, and that people know that there can be a sudden influx of serious casualties. The Government must not take the contribution of reservists for granted. They must ensure that reserve personnel have the support that they need and are not disadvantaged in the labour market.

The Government response to our report is helpful and reasonable. I pay tribute to the co-operative and consensual way in which the Ministry of Defence has treated this inquiry. From the outset, we emphasised that it was meant to be a constructive process, and the Ministry of Defence has responded in kind. Where we asked for further information, the Government have in the main provided it. The emphasis must be on transparency and progress. The Ministry of Defence should continue to inform us and the House of developments in medical care for the armed forces and must continue to make improvements in the way in which such services are delivered. We hope that our report has contributed to improvements. First-rate care is already given by Selly Oak hospital. We have nothing but praise for the armed forces and defence medical care. We are grateful to the Government for the way in which they have responded to what we hope has been a constructive report.

3 pm

Mr. Kevan Jones (North Durham) (Lab): I, too, pay tribute to those members of our armed forces who provide medical care for people injured in the line of duty. I think not only of those who work here but of those deployed on operations, whom the Committee saw during the last two weeks on our visits to Iraq and Afghanistan. It gives me great pleasure to see them—many are reservists or volunteers—taking such a great pride in their work, which they do with commitment and dedication.

I shall cover four points. The first is the question of Selly Oak hospital. The second is how veterans are treaded in society. The third is mental health. The fourth is about operational issues to do with medical cover in Afghanistan and Iraq.

The Committee's report did not get a great deal of coverage in the press, but we were not surprised because it was quite positive. That is sad because the issue has been kicked around a lot and even used by certain people as a political football. It is too important an issue to be treated in that way. Having visited Selly Oak with the Committee, I am sad at some of the misreporting and criticisms that have been made about the dedicated men and women who work there. Although such criticisms might get headlines, the press must remember that the staff, who work long hours with dedication—sometimes working more hours than they are paid for in order to look after the individuals in their care—find that criticism harsh.

When the Committee took evidence in Birmingham, I was keen to find out how many of the urban myths that have been generated were true. The way in which the press have dealt with some of those issues is disturbing. I shall read out some of the headlines that Selly Oak hospital has had to face. One was "Muslim accosts injured Para in hospital". Another was "Hero squaddie told by British hospital to strip uniform as offensive to Muslims". A third was "Muslim women abuse soldiers at troops' hospital".

The Committee took evidence from Ms Julie Moore, chief executive of the University Hospital Birmingham NHS Foundation Trust, and Dr. David Rosser, the hospital's medical director. I asked what had been done about those allegations. I also asked whether the trust had received complaints directly from the patients or their families about the treatment of the injured soldiers, given some of the more outlandish accusations made in the press. Surprisingly, the hospital had received no direct complaints. I wonder where the press gets its headlines. Some newspapers produced headlines without asking the hospital trust to comment.

The other thing that disturbed the Committee was the fact that when the hospital trusts were asked to comment and had said that the stories were not true, the press still went ahead and printed them. That was irresponsible. I am concerned that *The Daily Telegraph* is saying even at this late stage that the headlines stand up for themselves. I would like to see evidence for that.

Another thing that disturbs me is that someone wrote in *The Daily Telegraph* a couple of weeks ago what should have been the good news story that investment in Selly Oak was going ahead under the headline "Troubled hospital gets extra investment". The writer did not make any of the more spurious accusations, but he repeated some of what he had written earlier. The press is right to report when things go wrong. They should do so. Such matters should be considered. The Committee would not have ignored such reports if we thought they were correct. However, I believe that the press should instead tell some of the good news stories.

What is remarkable about Selly Oak is not only that the staff are dedicated but that many of the young men and women there who have been terribly injured would not have survived those injuries a few years ago. Some of the pioneering surgery is not only state-of-the-art here, but is of high quality and internationally groundbreaking.

Linda Gilroy: I wonder whether my hon. Friend has noted the suggestion in the recently published recognition study that the armed forces parliamentary scheme should be a model for the media? Although there are specialist journalists, it seems that some of them have a great deal to learn.

Mr. Jones: I am not sure that I would want to inflict that on the military. The press have a responsibility to report accurately. We should remember that their criticisms are causing damage. It is disturbing also that Members sometimes repeat such reports without checking the facts.

Some say that this terrible Labour Government are cutting back defence medical services and closing military hospitals on financial grounds. I have said in the House before that the last Conservative Government got some things right. Commencing the closure of military stand-alone hospitals was one. The MDHU is clearly the best model. It is not that it will save money, but it will ensure that the staff have up-to-date clinical experience, which is not always available given the size of today's armed forces.

When I visited Northallerton MDHU, I was impressed by the range of experience among the staff there, including expertise in paediatrics and other relevant areas. For instance, when we were in Camp Bastian last week the commanding officer said that the staff were dealing with a number of children and that it would be a disadvantage if the hospital did not have that experience but could deal only with the small throughput of members of the armed forces. I am convinced that that is the right way forward.

We agreed in our report that the Government's decision to close Haslar was right. I accept that the hon. Member for Gosport (Sir Peter Viggers) has a constituency interest in the matter, but if he reads the report I hope that he will be convinced that it is being done for clinical reasons.

The other factor about Selly Oak that impresses me is that MOD surveys of people that have been through Selly Oak during the past 12 months show that the overall majority rate it as excellent, very good or good. I am sure that the Minister realises that members of the armed forces are not shy of making criticisms when things go wrong, so that is a good testament to the hard-working staff at Selly Oak.

Related to that is the question of Headley Court. I agree with the right hon. Member for North-East Hampshire (Mr. Arbuthnot), the Committee Chairman, that it is a world-class centre. We also visited the rehabilitation centre in Edinburgh, another first-rate facility for getting people back into the military—not only those severely injured in operations but people with sports injuries and others. The staff's dedication to ensuring that people can return to an active life in the military is important. It is certainly highly regarded by those whom we met there.

I want now to discuss veterans. The Government should be proud that they are one of the first Governments to have recognised the role of veterans in society. They set up the Veterans Agency, and today's Command Paper, which is a very good one, recognises the needs of veterans, so that we do not just forget about individuals who have given dedicated service to this country at times of need. The Command Paper tries to fill in some of the gaps, but we need to do more work on the issue.

There was a recommendation in the report—I think it was something on which I put in an amendment—about how we track veterans once they leave the military. Increasingly many doctors do not have experience of military life, and we need a system of trying to track individuals, because some illnesses or mental health issues will present themselves later in a person's life. The option that was put forward was a system of automatic tracking when individuals leave the forces, with the possibility for people to opt out somehow if they wanted to. I appreciate that not everyone might want the information included on their medical records. A system from which people could opt out would at least mean that in future years if someone attended their GP's surgery it would be possible to tell from their records that they had been a member of the armed forces. If we are to take seriously the prioritising of medical services for veterans we need a method of tracking people through the system.

I agree with the Select Committee Chairman about what I must describe as the lack of concern on prioritisation in Scotland when we took evidence. Frankly those concerned did not think that veterans deserved a great deal of extra service compared with anyone else. All that we kept getting from the NHS there was the fact that they would be treated just as well as anyone else, which I do not think is acceptable.

A good feature of the Command Paper, which I hope will be extended to health, is the idea of ensuring that its contents will be followed through. I was reassured when I put my question to the Secretary of State today that there will be a Committee to consider those issues, to ensure that there will be joined-up working between, for example, the Department of Health and the Ministry of Defence as well as, I hope, the devolved Administrations. It would be terrible if, despite today's very good Command Paper setting out what we expect for members of our armed forces and veterans, those things were to fall through the system at the point of delivery locally. We should consider that carefully. The Government have rightly put veterans on the political agenda, and we should keep them there. I pay tribute to organisations such as the Royal British Legion, and others who have worked closely with the Government on the Command Paper, but it is important to remind people that veterans have needs, and to make sure that those are met.

Mental health, even in civvy street, is a taboo subject. Even in the NHS it seems to be the poor relation within medical provision. I work with my local Mind group and its director says that it is possible to see that someone has lost a limb or broken an arm, but the problem with mental illness is that it cannot be seen. As has been said, many mental health issues will not appear while the people concerned are in the armed forces, but will emerge many years later.

I noticed last week, when we were going round the field hospital at Camp Bastion, that mental health services are now in theatre. That is important. I talked to the commanding officer there, and he said that if mental health issues can be dealt with while they are developing in theatre, that is the best way to do it, rather than trying to unpick them later. The subject needs a lot of research and the Government and the Department are right to try to organise such work. The King's Centre for Military Health Research is now doing that on behalf of the Government. We do not understand how the experience of combat affects people later in life and it is important to pull together that body of evidence.

I offer congratulations on the work of the regional pilot schemes, because it is open to veterans to come forward and ensure that their experiences and any issues that they have are fed into the process. Once such data and research are secured, priorities can be allocated for serious issues that need funding. As with the treatment of other veterans, we need a way to ensure that people are tracked through the system.

The final issue that I want to deal with is the deployment of medical facilities in the field. To hear some people talk, one would think that those were of a very poor standard. In Camp Bastion last week the commanding officer was very proud of the facilities that he was showing us. He said on occasion that they might be better than some of what was in the NHS in the UK. It is staggering to think that in the middle of the arid desert, where Camp Bastion is, there are CT scanners and some of the most high-tech equipment. We also need to recognise not only the good quality of the care being given, but the very efficient system for evacuating

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seriously ill servicemen and women back to the UK. Within 12 hours seriously injured servicemen are getting the best of treatment at Selly Oak, because there are aircraft on 24-hour call.

I want to pay tribute to some men and women who do not get a great deal of notice, but whose job I think—having talked to them last week—is very difficult and, on occasion, dangerous. They are the medical emergency response teams who fly into the combat zone, often under fire. When we flew into Camp Bastion last week we saw tracer fire, but it was not aimed at us, but at a helicopter crew going in to evacuate injured UK personnel. Those people are tremendously dedicated and are often volunteers, who put their lives at risk to ensure that our men and women serving on the front line get good treatment and are taken back. The dedication and bravery of those medics and helicopter pilots should be recognised in this debate.

Overall I am very impressed with the state of the Defence Medical Services. We should keep them under constant review and it is the role of the Select Committee to return to the issue in a few years to see what is happening. However, the story is good overall and I am very sad that it has not received more coverage. I also think that the role in which some volunteer medics work in Afghanistan and Iraq should attract more credit and more media coverage. We can be proud of the job that they do. I am satisfied that the servicemen and women who put their lives on the line for us should get the best medical treatment. From what I have seen in theatre and in this country we can be reassured that they get exactly that.

3.18 pm

Mr. Mike Hancock (Portsmouth, South) (LD): I am delighted to take part in the debate. I congratulate the right hon. Member for North-East Hampshire (Mr. Arbuthnot), the Chairman of the Select Committee on Defence, who with his customary unbelievable fairness put the case for the Committee's report and the evidence that we were given. He should be congratulated on the way he presented that case this afternoon, and on having the patience to continue to chair the Defence Committee in the way he does. There are three of its members present this afternoon who would, I am sure, share that view.

I, like the hon. Member for North Durham (Mr. Jones), want to congratulate all the staff involved in the Defence Medical Services, which have been an easy target for the press and others to criticise. What the experience of preparing the report did for the Committee, and, I hope, for many other hon. Members who will have taken the time to read it, was to show that the story is not just doom and gloom. There is a lot of hope, and a lot of good work continuing to be done.

I remind hon. Members of a comment made by the Minister at the end of the Select Committee sitting on 27 November, about Headley Court:

> "We are absolutely committed to providing the best possible treatment and service and care for our people. As I said, the report is going on at the moment"

to review expenditure on the site. I think that that is true. I spoke recently to two young men who benefited from Headley Court's expertise. The experience gave them an opportunity in life that they would not have had five years ago, let alone 10 years ago. They will be able to have a career outside the military, mainly owing to the efforts of the staff at Headley Court, who need to be congratulated. I am delighted that the Government lived up not only to their promise to provide the facilities and the money to carry out the review of services at Headley Court, but to deliver on their commitment.

The tracking of veterans is vital. Many general practitioners have told me of their experiences of helping ex-servicemen when they arrive at surgeries and say that there is a lack of coherent records of what servicemen have been through, what treatments they have had, and what injections they have received, for example. That was especially true in the early 1990s and throughout the decade following the first Gulf war, but, sadly, the problem still needs to be addressed. Although systems within the MOD have changed, the link between it, the local GP and the primary care trust needs to be maintained via an understandable and clear system. The tracking of veterans, especially for medical purposes, is vital. We should make every effort to ensure that PCTs, especially those in areas where large groups of ex-servicemen live—in Hampshire, for example, there is a large concentration of ex-Navy, Army and Royal Marines, and, to a lesser extent, around Odiham, Air Force personnel—are made aware of servicemen who are leaving but who will continue to live in the area. That way, GPs would have accurate records. Ministers have said on a number of occasions that they are trying to improve the system, but there is still no clear indication of how it works. At some stage, as the hon. Member for North Durham said, the Defence Committee should concentrate, and produce a report, on the tracking of veterans and how services are delivered to them.

The Chairman of the Committee and the hon. Member for North Durham spoke about the decision, which was initially made many years ago, to close Haslar hospital. Anyone who knows Haslar could not fail to be impressed by the services that it has provided for generations in the Gosport and greater Portsmouth area. Nobody who comes from Portsmouth would willingly wish to see the facility go. When we consider the amount of money that has been spent in Haslar in the past 10 years—I am sure that the hon. Member for Gosport (Sir Peter Viggers) will make clear the commitment that was put into it—we realise that the loss of the facilities will be a great loss to the community. I am optimistic that solutions will be found for the future use of the site, but the best use was as a military hospital that had a huge involvement with the community. I am expressing my personal disappointment, but I accept the Committee's decision and what the Government have said on the closure. I visited the MDHU at the Queen Alexandra hospital and was mightily impressed by it. It was unlike the situation that the Chairman of the Committee found when he went to Frimley Park, because there was more than one serviceman there, and a number of service families. The exciting prospect about the former unit relates to the service personnel. One would find it remarkable if one went into QA hospital and did not see a member of the services walking around, be it a nurse or a doctor. They are proud to wear their uniform, and the people who use the hospital are proud to be served by them.

I spent a couple of days there fairly recently, and received medical care from two young doctors who were about to go to Afghanistan, one of whom had been to

Iraq. Talking to them was encouraging. They spoke with a great deal of sympathy for the people who did not want Haslar to close, but talked about the experience that they had gained in a large general hospital and their ability to transfer that expertise to the places to which they were going. The young lad—I say "young lad", but he was a lieutenant in the Royal Navy and probably in his early 30s—spoke with a great deal of feeling for the way in which he had been able to use the experience he gained in the hospital in Iraq. It is a testament to the co-operation between the health services and the military that they can make such units work as successfully as they do. The way in which they try to maintain the military ethos to a level that would perhaps not have been possible in the past at Haslar was interesting. The ethos was maintained at a level that encouraged people to think that they were not simply wearing the uniform, but were part and parcel of the military.

The criticisms that were levelled at the Selly Oak facilities were, in the main, very unfair to the hospital, the staff and everyone concerned. They put a lot of fear in the minds of the families of people who were at the hospital. Some people from the Portsmouth area were at Selly Oak, and I received letters from parents who were worried about the care they were receiving. It was unfair that those people, on top of the trauma of a loved one being brought back from a battle front, were confronted with the idea that their loved ones had been taken to the wrong place and that they would not survive. The hon. Member for North Durham was right that many of those young men and women who have been to Selly Oak would not have survived had it not been for the care and ability of the staff there. I hope that the Committee's report puts the record straight on Selly Oak.

If, we look at the report, we will see how many reports the Defence Committee has undertaken in the past few years. Not one has been so well received both by the Committee—many of us had serious reservations at the beginning, but when the report was prepared, the whole Committee was impressed by what we had discovered. I was impressed that the Minister came with the Minister of State, Department of Health, the hon. Member for Exeter (Mr. Bradshaw) to give evidence to us. There was a willingness to work together. The latter was vague on who was paying for what, but there was undoubtedly co-operation and a willingness to co-operate. That things have moved on considerably in the past five years or so is transparent in the report, which is welcome.

I do not wish to delay hon. Members and I must apologise because I will be absent for 45 minutes to chair a different meeting, but I will be back, if the sitting does not adjourn early, to hear the winding-up speeches—I apologise to colleagues who will speak after me.

I wish to ensure care for those affected by mental illness by raising the issue of the preparedness of young men and women who are going to places such as Iraq and Afghanistan. They should be given greater preparation for the things that they will experience. I spoke to a psychiatrist who deals with some of the repercussions of what such young men and women have been through. He told me that there was a lack of preparedness for some of the things that young men and women would be confronted with and the sort of scenes with which they would have to live daily. It is easy, from the safety of the House of Commons, to say, "Those things are part and parcel of being in the military." However, 19 or 20-year-olds are bound to be affected by confrontations with ghastly scenes and horrific incidents—a bomb outrage or whatever—and the deaths of friends and colleagues.

I do not know how people can be prepared for that, but some effort ought to be made to ensure that people are given access to proper counselling before and after. One of the problems is the lack of medical counselling on return. Everyone is happy to get back safely, but some people come back terribly scarred by their experiences and what they have seen. Perhaps intervention in those early days back in the United Kingdom would be helpful in softening the burden that they will probably carry for the rest of their lives. It is important that we as a nation recognise the debt that we owe those men and women and do everything that we can to prepare and help them. Let us not wait until they become serious psychiatric cases, desperately trying to hold together a marriage and hold down a civilian job while coping with the burden of what they have experienced in the services.

That will not be easy, and the problem will not be solved overnight, but I would like the Minister to reassure us about a matter mentioned in the report. The hon. Member for North Durham made an effective contribution to our debate in the Committee about the number of servicemen who end up in prison with serious psychiatric problems. Perhaps their journey to prison would not happen if they were given the right care and attention upon leaving the service or returning from combat.

With those thoughts and suggestions, I thank you for calling me to speak, Mr. O'Hara. I wish the Minister well in the work that has to be done in future, and I am grateful for his effort in ensuring that medical services have improved significantly between the last time the Committee examined the matter and our producing this report.

3.31 pm

Linda Gilroy (Plymouth, Sutton) (Lab/Co-op): It is a pleasure to be able to join colleagues to debate one of the most interesting and satisfying inquiries in which I have been involved on the Defence Committee. The report rightly pays tribute to DMS personnel and their NHS colleagues, who together provide the world-class care that the Chairman of our Committee, the right hon. Member for North-East Hampshire (Mr. Arbuthnot), mentioned at the beginning of his speech. To quote the report:

> "The clinical care for Servicemen and women seriously injured on operations is second to none. DMS personnel, working with the NHS, provide world-class care and we pay tribute to them."

In his statement on the Command Paper published today, the Secretary of State rightly said:

> "We must aim to offer the best possible continuous care from the point of injury, through to recovery and beyond, for the rest of their life."

Notwithstanding the fact that our inquiry found that that care was world class, we need to continue to push the boundaries of what can be achieved. I am sure that the Minister concurs.

When we visited Selly Oak, we saw men and women—predominantly men—who might never have had the chance to get the care that they were receiving had it not been for the advanced health care that can now be

[Linda Gilroy]

offered in the field in the golden hour when it is so important. I learned a great deal about how our armed forces work and support each other when they are deployed, when they are preparing for deployment and during post-deployment decompression. I learned how important it is that their families are there in the background to support them stoically and uncomplainingly, often putting up with situations that they should never have had to put up with.

As I got to know the defence community in Plymouth by visiting the Crownhill community centre and the various associations that such communities are blessed with, I was concerned to learn of the waits that people sometimes experienced for hospital treatments and dentistry. Goodness knows when dentistry was ever as hard-pressed as it has been in recent years, and people find themselves moving just when they might have got an NHS dentist. I would also mention in vitro fertilisation treament. I know that in today's Command Paper, the MOD undertakes to make improvements on some of those matters, further to those that have taken place since we published the report.

The response to our report stated that the MOD was in the process of reviewing the future requirements of the defence medical rehab centre at Headley Court and the regional rehabilitation units. Things have moved on since that response, and I hope that the Minister will be able to tell us something about the outcome of the review. Like others, I have seen some reports about the level of expenditure that will be provided and the commitment that has rightly been made. I found the dedication of the people at Headley Court to care for injured service personnel, and the terrific commitment of those personnel to get back to fitness for service, one of the most moving and interesting parts of the inquiry.

Mr. Kevan Jones: Would my hon. Friend like to debunk the myth that charities have to raise money for a swimming pool at Headley Court because of a shortage of money? When we went there, the directors and others involved said that that was not one of their top priorities.

Linda Gilroy: Rightly so, and we mentioned in the report the importance of getting the right relationship between the MOD and the third sector, which has always enhanced what the MOD can make available, and will continue to do so. In today's Command Paper, there is a commitment to get that right through the mechanism that has been set up for continued consultation with the service charities and associations, the Army Families Federation and so on. I hope that that will make for a much better relationship and better understanding between everybody. The British Legion has raised money for additional things. I will return to the work of Combat Stress in a moment, because achieving a balance and getting the relationship with the third sector right is very important. Certainly my hon. Friend is correct that the matter of the swimming pool was another example of getting things completely out of proportion. Perhaps some Members played into that process in an inappropriate way.

Headley Court is a world-class facility, and the people there are rightly proud of what they do. When we visited Selly Oak, we saw the provision of cutting-edge medical care for the injuries and polytrauma that military casualties sustain. To illustrate the importance of that defence medical centre as the focal point for the whole practice, we were told on our visit that repairing one injury to a serviceman's hand required 13 specialisms to be brought in from across the teaching hospital.

While we were there, the issue was raised of whether there was an appropriate military ethos in the management of the ward. We saw a great deal being done to improve it, and good practice has been established in the military management of the ward, as it has in military wards elsewhere in the country. I am sure that that practice will be migrated across when Birmingham New hospital, which is being built in Edgbaston, replaces Selly Oak. That will be another major improvement, because we could see that the buildings in which the world-class service was provided were not the best or most flexible. It will be good to see the Selly Oak ward move to its new facilities. I pay tribute to the MDHU at Derriford hospital, as a number of Members have done. It, too, plays an important and under-recognised part in the work of our armed services, ensuring that servicemen and women are fit for service and that those who suffer injury—most commonly musculoskeletal injury—are fast-tracked to be restored to full health and fitness for active service. I greatly appreciate, as I am sure do many of my constituents, the service provided at MDHU Derriford.

On the role of the reserves, my hon. Friend the Member for North Durham (Mr. Jones) mentioned the visit by some of my colleagues recently to Camp Bastion in Afghanistan. The report of that visit tells us that 95 per cent. of hospital staff are reservists, across the provision on deployment. Many of those reservists come from Plymouth Derriford hospital, and they have particular needs and concerns. A review will report later this year on the role of the reserves in general. No doubt it will provide another opportunity to discuss those matters. The all-party group on reserve forces, of which I am a member, as are other colleagues in the Chamber, has been working to introduce proposals, and the report due to be published next Monday will consider the issues.

Reservists face different pressures and challenges from regulars, particularly after the completion of an operational deployment. They do not return to a military environment as regulars do, but to a civilian one, as our report pointed out. Hence they do not have the same atmosphere of camaraderie and shared experience in which to readjust, and the signs of post-traumatic stress disorder can sometimes go unnoticed. For that reason, our report referred in particular to the heavy reliance of DMS on reserve personnel, which has increased as a result of the high tempo of operations.

Combined with smaller numbers of deployable regular DMS personnel, reservists keep our armed forces' medical service going. Although reservists volunteer to use their skills, there is a danger, as I am sure the Minister is aware, of deploying them so often that the pressure on them becomes excessive. That is why the report says towards the end:

> "The MoD must not take the integral involvement of Reservists for granted. It must make sure that recruitment remains buoyant and that retention is sufficient to guard against any degradation of capability."

We also referred to the support that reservists need from both their civilian employers and the armed forces when they return from operational deployments. The public, too, need to recognise the reserve forces' contribution to the military and society.

I shall pass a few comments on what we said about mental health in the report. I welcome the pilots that have been announced and developed, such as the community veterans mental health pilot. As other Committee members have said, it is a difficult matter. Particularly in mental health, it is hard to keep the level of contact necessary to provide appropriate service for former service personnel and veterans, who might need it many years after concluding their service in the armed forces. The pilot is designed to develop a model of community-based mental health, as recommended by the Health and Social Care Advisory Service, which is an independent body that recognises that in some areas of the country, the NHS can no longer easily access the expertise in military mental health required to meet the needs of some mentally ill veterans. It addresses the issue by establishing a basis for regional networks of expertise. We have such a network in St. Austell, and I think that the Secretary of State said in the Command Paper that others are to be rolled out. However, they were designed to take two years and to be evaluated, and I hope that my hon. Friend the Minister, in responding to this debate, will be able to update us on those pilots, the evaluation and when the roll-out will occur.

I also want to mention Combat Stress. A number of Members visited its facility when we visited nearby Headley Court. I was impressed by the work that it did, and I met somebody who came from as far away as Plymouth, and lived very near my constituency. Combat Stress plays a necessary part. Indeed, it probably provides support to the community mental health pilots that I just mentioned. We need to get our relationship right with the third sector, which is an important player in mental health services. I understand from information that we received recently from Mr. Toby Elliott, the chief executive, that there are continuing delays in resolving some of the funding issues. Despite generous increases, funding is increasingly delayed, and I guess it will continue to be delayed as the community pilots begin to identify people for whom the periodic respite that Combat Stress provides is of particular value. Again, the Minister's remarks on that would be greatly welcome.

This is one of the most interesting and satisfying inquiries with which I have been involved through the Defence Committee. As colleagues have said, we will have a role in ensuring that the issues that we have debated this afternoon are seen through to their conclusion, if a conclusion is possible with such things, or certainly to an even higher level of service. I look forward to gaining some insight into how that will be achieved. The Government gave us some idea in their response of how matters would be taken forward. Things have developed since then, and we saw some glimpses of that development in today's very welcome Command Paper.

Perhaps the most important part of the Command Paper is the implementation mechanism. There was a reference earlier to our session with the Minister and his colleague from the Department of Health. We had a similar session when we considered education. Only such joined-up thinking across government will ensure the full implementation and delivery of the recommendations that we laid out for the sort of continuously improving world-class service that we should be able to offer our servicemen and women and their families.

3.49 pm

Sir Peter Viggers (Gosport) (Con): The work of the Defence Medical Services involves courage and skill, and some of it is inspirational. The Committee's mood has been to support the work of DMS and pay tribute to it, and the report has been well received both in the House and among the wider public. So much courage, skill and good will has gone into the report and goes into DMS generally that one might think that all is well. However, all is not well in DMS, which is probably the area of the greatest difficulty and need in the armed forces spectrum.

Defence medical services are highly specialised, and the individuals involved in the armed forces tend to be youngish and fit, so those working in DMS need to be specialists in fitness and injury. Traditionally—I am going back more than 10 years, before the 1998 decision—armed forces service personnel did not necessarily receive the highest quality of medical care from the most experienced medics, because it was provided by service personnel who might not have been leading specialists in the field. In 1998, therefore, the Government in effect cut the umbilical between Defence Medical Services personnel and armed forces personnel, making it clear that services personnel would receive the best possible medical treatment within the NHS. It was decided that DMS personnel would train and work within the NHS and so broaden their experience.

It must be correct that services personnel receive the best possible medical care.

Mr. Kevan Jones: Will the hon. Gentleman give way?

Sir Peter Viggers: I will give way to my—I almost called him my hon. Friend—colleague from the Defence Committee.

Mr. Jones: I am not sure that what the hon. Gentleman is saying is correct. When I visited Selly Oak and MDHU Northallerton, the services personnel—the nurses and doctors—wore different uniforms from the NHS staff. The few military personnel at Northallerton when I visited were treated by, and could identify, services personnel, so I do not think that the relationship has been broken at all.

Sir Peter Viggers: I must disagree with the hon. Gentleman. When armed forces personnel come back with specialist problems, they can be treated in any of seven—I think—hospitals in the Birmingham area, if they are "casevaced" into Brize Norton. The speciality will be appropriate for the wound—whether an ear, nose and throat problem, an eye problem, a cranial problem and so on. The best specialists in the NHS will be employed to treat them. They would not necessarily be treated in a military ward.

Mr. Jones: I am sorry, but I disagree. From my visits to Selly Oak, it seems to me—the hon. Gentleman might know better—that if specialist treatment is required in another part of the NHS trust, it happens, but the

[Mr. Kevan Jones]

teams who work on the patients do so in a military-managed ward. I do not think that there is a trade-off between the two.

Sir Peter Viggers: Perhaps in due course the Minister will adjudicate this round of fisticuffs. My understanding, from my visits to Selly Oak and elsewhere, is that services personnel will be treated using the best available facilities in the NHS. If those providing the care happen to be armed forces personnel, so be it, but if the military defence services do not have the necessary speciality, someone in the NHS will provide it.

There is another dimension. Of course, wherever possible armed forces personnel should be treated in a military environment. If someone has lost a limb, every possible care should be taken for that individual to be with his mates in an environment where his wounds will be understood, and where he can talk in the language he is used to using in a military environment with military personnel. It would be wrong for someone who has lost a limb—the hon. Gentleman pointed out that they can be "casevaced" back within 12 hours—to be in a bed in an NHS ward between two elderly civilians who have suffered strokes. It is thus important to have a military environment, as far as possible, but it is also important that military personnel have the best possible medical care, wherever that might come from.

Mr. Jones: I am disappointed in the hon. Gentleman, because actually I quite like him, but he is perpetuating myths that do this debate no good at all. Many civilian patients in Northallerton, for example, have military backgrounds, because Catterick camp is on the doorstep. It is not true that many military-managed hospitals have no connection with civilian care. I urge him not to go down that route.

Sir Peter Viggers: I think that the disagreement, if there is one, is more apparent than real. If someone is "casevaced" out of an area of conflict with very serious wounds, they will get the best possible treatment within the NHS—full stop. If someone in the armed forces is injured more routinely, where possible he will be treated in a military environment. I do not think that there is a chasm of difference between the hon. Gentleman and me—but perhaps we can discuss it elsewhere.

There have been, and continue to be, serious deficiencies in Defence Medical Services personnel. Recruitment is good, which is not surprising because training is of a very high standard and the personnel are remunerated while training. However, retention remains a serious problem, and there are extremely serious shortfalls in the key specialities of general surgery, orthopaedic surgery, anaesthetics and general medicine. Not all is well. It is probably the most serious shortfall in defence provision. The Laurence committee, in 1997-98, considered all those issues, and on 10 December 1998 made the announcement—seared on the hearts of all my constituents—that the Royal Hospital Haslar should be closed by the Ministry of Defence. I must disagree with the hon. Member for North Durham, who unfortunately is no longer in the Chamber: Conservative party policy was not to close military hospitals, but to focus defence medicine on one hospital—the Royal Hospital Haslar—which is why it was so devastating when the announcement was made that that single hospital should eventually be closed.

There was a search for a centre of defence medical excellence. The Army would have liked Guy's and St. Thomas' hospital in London.

Linda Gilroy: I am sure the hon. Gentleman is aware that we used to have a naval hospital in Plymouth, which was combined with Plymouth Derriford hospital trust, and there was great regret about that as well—many still regret it. However, overall, I think people understand that it was necessary. It has proved of great benefit, not just from the military point of view, but from the civilian point of view in the hospital.

Sir Peter Viggers: There are a number of areas where there were service hospitals and where there has been intense regret—none more keen than in the Gosport-Portsmouth area over the proposed closure of Haslar, which has not yet gone ahead.

After Guy's and St. Thomas' failed as an option, there was some discussion of John Radcliffe hospital in Oxford, and there was the possibility that a hospital in Newcastle might have been chosen. Eventually, almost by default, the choice fell on Selly Oak hospital, Birmingham, and the Government now seek to make great play of the fact that the west midlands has become a centre for defence medicine. I point out that Selly Oak hospital is in south-west Birmingham, and Lichfield is well to the north-east, some considerable distance away, so 1,100 medical personnel will be located in an area with no particular connection to the services or attraction to them, as far as I can see.

Where do we go from here? We must accept that an effort has been made to provide high-quality treatment to casualty evacuees and that treatment within the NHS is working quite well. Many visitors to the Birmingham facilities pay tribute to the very high quality and skill of the workers there. It is certainly true that there have been improvements to the service environment of military care, and more care is taken now to ensure that military personnel are in military wards—"with their mates"—if possible.

All those who visit Headley Court talk about the quality of the physical environment, the atmosphere and the outstanding rehabilitation work done there. However, there is a need for further facilities for convalescence and aftercare. The charity Help for Heroes, which was founded by Bryn Parry and others, has hit a nerve in that regard and enthused many people to support the concept that service personnel should be enabled and empowered to help each other within a service environment.

Let me focus on the future of Haslar, which has been mentioned twice. There is a civilian dimension to the continuation of the hospital, but that is not relevant to the debate. If the hospital should remain open in some capacity, there would be persuasive arguments for continuing the out-patient and other facilities that are provided for civilian personnel locally. Many of my constituents would like Haslar to be restored as a district general hospital, but that is not likely to happen given the manner of thinking in the NHS. We must identify needs in the armed forces, with which Haslar has a strong connection, and consider how it could help to meet them. Recommendation 21 of the report says that

> "providing first-class healthcare for veterans, and making sure that people have confidence that they will be able to access and will receive such treatment, is an integral part of the debt which society owes to those who serve in the Armed Forces".

Yes, indeed; amen to that.

Some people may not require the specialist facilities at Headley Court but may have other considerable needs such as the need to convalesce in a military environment. The mental health field is important. The excellent charity Combat Stress points out that post-traumatic stress disorder tends to surface about 15 years after an individual has experienced that stress. We have a growing problem with mental health support for those who have served in the armed forces; a significant, pent-up problem is coming our way.

Haslar is zoned for medical use; its listed buildings and scheduled gardens mean that there are severe planning restrictions, and there are problems with a large number of graves at the site.

Mr. Kevan Jones: Will the hon. Gentleman give way?

Sir Peter Viggers: May I please finish?

There are considerable restrictions on the site's use, but I am delighted that a number of charities are considering combining forces and putting forward a proposal for Haslar's use for military convalescence and care. I very much hope that their meetings, which are planned for next week, will be productive.

4.3 pm

Willie Rennie (Dunfermline and West Fife) (LD): I pay tribute to the Committee for its excellent report, and to the Chairman, the right hon. Member for North-East Hampshire (Mr. Arbuthnot), for the way in which he presented the report. He gave quite a lot of detail and presented it in a fair and balanced way. I am sure that many in the military and the Ministry of Defence will recognise that. I also pay tribute to the staff of the Committee, its advisers and the people whom Committee members met when they were out and about on the inquiry.

I say that the report is excellent not just because I was a member of the Committee during the inquiry. I was not a member of the Committee when the report was being finalised and published, but I followed the media concern that was highlighted at the time. As we have heard, much of that concern was unjustified and unfounded. I should like to hear the results of the *Telegraph* test and whether, given the evidence, the MOD believes that there was any justification. The report recognises good practice and where practice has improved, because good practice was lacking in the past and reform was required. It also identifies weaknesses, and I hope that the Minister will take those observations on board and use them to drive further reforms.

I pay tribute to members of the armed forces, including those who have been injured and who have required the medical service. In general, the support that they receive from Defence Medical Services is first class and the services should be commended for their work. Members of the armed forces should be confident that they have rock-solid medical services that they can rely on in their hour of need.

The first issue that I want to address relates to primary and secondary care and rehabilitation services and care. I was unable to make it to the Selly Oak facility, but I heard many good reports about it. In principle, the idea of bringing together the best from the MOD, military health care and the NHS is first class and commendable. We want the best of both, because our military deserves that. I recognise the concerns that have been raised about Haslar, because we have fought a battle over our local hospital in my constituency, but we recognise that people need the best specialist care at the best location. Although the changes are regrettable, especially for people in the Gosport area, military medical care must come first.

MOD hospital units combine the best of the military and the NHS at a more local level. I experienced that service some years ago when I was a patient at Derriford hospital, where I encountered some formidable military nurses. The care was very good, but I was rather frightened of some of the nurses—I am sure it progressed my care somewhat, because I was keen to get out of the place. I thought it was a great facility. Indeed, my son was born there, so I have a lot to commend Derriford hospital for—and the MDHU at that facility.

We have heard about Headley Court and the regional rehabilitation units. The Committee visited the unit at Edinburgh and I also visited Headley Court in Leatherhead. Both are, rightly, highly regarded facilities. I was impressed by the work ethic of staff at Headley Court and those who were injured. They recognised that it was their job to get better so that they could go back to work as quickly as possible. Treatment was not just about patients' health care, but about getting them back to work as quickly as possible. That excellent facility should be commended. One of my constituents, Sergeant Scott Paterson, who was recently injured in Afghanistan, will, I hope, receive the support of Headley Court. He should be comforted to hear reports of its excellent facilities.

I understand that the Minister visits Selly Oak hospital quite frequently, and that the nurses cancel their leave when he visits. Initially, I thought that that was because he was accident prone, but I now understand that it is because he is so highly regarded there. It is good that he has that connection with the facility, and long may it continue. It is important to have a good connection between Ministers and those who provide the service on the ground, so that they can hear at first hand about any concerns and about good practice that should be spread elsewhere.

I have a few questions. There is a military-managed ward at Selly Oak, and there has been some talk of moving towards having a military-only ward. Has there been any progress on that? If it is feasible, when can we expect it to happen? There are MDHUs only in England, but are they being considered for the rest of the UK, so that people on military bases in other parts of the UK do not have to travel to those MDHUs for the accelerated treatment they require? I understand that clinical governance at Selly Oak and at the MDHUs is first class and on a par with that in the NHS, but what confidence does the Minister have that clinical standards and governance in the military's primary care services are up to the same standard? Has that care been considered to ensure that it is the best possible?

[Willie Rennie]

I agree with the hon. Member for North Durham (Mr. Jones) that, in the past, mental health has been the poor relation both in the NHS generally and in the military, so I am pleased that progress has been made on the Territorial Army facility at Chilwell and on extra funding for Combat Stress. The base's local community mental health facilities are excellent, so progress has been made in that area. However, I am concerned about the care provision from the Priory Group, which is neither fish nor fowl—neither a local facility nor a military facility. As we heard, when military personnel receive care, it is important that they are surrounded by their comrades, if at all possible. I know that the Priory Group's contract is up for renewal in November, but has there been a tendering process, and will there be other bids from competitors for that work? It is important that we review what the Priory Group provides.

My other concern is whether GPs really know about the mental health facilities, services and support that are available to veterans. One of my constituents was concerned that his GP was not aware of the Combat Stress facility, and he had to wait about two years before he was referred to it. What awareness-raising will there be so that GPs know what is available to servicemen?

I understand that the Rivers centre in Edinburgh, together with NHS Lothian, is one of the pilot projects for Scotland. In the Secretary of State's statement earlier, the pilots were referred to as successful. I do not know whether the projects have been reviewed yet, but it is rather early to regard them as successful, so I should like to hear from the Minister about any review that might have taken place.

I reiterate the comments of the hon. Member for North Durham on the identification of veterans. It is a sensitive issue, because not all veterans want to be known as former members of the armed forces, so we must take that into consideration. However, there is a possibility of connecting the Ministry of Defence IT system and the NHS IT system, so that, if required, their details can be accessed and they can receive the best and most appropriate care for their needs. It might be an opt-in system rather than an opt-out. As the programme might be England-only, will the rest of the United Kingdom be considered, so that there is proper connectivity between all the systems?

The Committee Chairman referred to Scotland in terms of a laissez-faire approach. I was pleased to be able to take Committee members to the Scottish Parliament to show off my home country and the excellent facilities and services that it provides, but I was rather embarrassed by the whole experience. People had a very laid-back approach and did not seem to know or understand the needs of the military, military families or veterans. Indeed, I was not quite sure whether the right people were in front of the Committee. They should, perhaps, have put more thought into their presentation, but the visit revealed that, because the MOD and the military are regarded in terms of reserved powers, the Scottish Parliament does not consider them to be its business. That may be an issue for the other Assemblies and Parliaments in the United Kingdom, too. We have problems here at Westminster with the holistic approach, trying to pull different Departments together, but the problem seems to be even greater between Westminster and the devolved Parliaments. We need much greater focus, so that on health, and on education, with which the Committee's previous report highlighted problems, there is greater connectivity and information-flow.

However, there is evidence that the Defence Committee has made an impact, because, having had a quick look at the Scottish Executive's website over the past few days, I discovered that there has been a flurry of announcements over the past six months. The Executive have produced a variety of reports, and there is clear evidence that when pressure is applied, sometimes it pays off. Some of the announcements just copy Westminster's, but we should not be too ungrateful, because they are making the same progress as Westminster. Some of the announcements are of derisory sums of money, although as the Secretary of State said that every little helps, we should be grateful for them; but other announcements will make a difference, and that is good, so we should give credit where credit is due.

The report did not investigate British forces in Germany, but I have some quick questions for the Minister. I recently asked some parliamentary questions about the Gilead facility in Germany, which is under the Guy's and St. Thomas' NHS foundation trust contract. The Minister's answer referred to a validation and review process by the South London and Maudsley NHS foundation trust, and I should like to know the outcome, and whether the Minister is content that the facility's standards are up to the mark.

A new telephone advisory service has been set up in Germany, and there has been a pilot. Did it involve health care support workers, who are part of the system, or higher-grade nurses? There is some concern about the use of such support workers at the facility, and we want to ensure that it is as good as, if not better than, NHS Direct, or NHS 24 as it is known in Scotland. I understand that the facility has been quite under-used. Perhaps it is at an early stage and, in time, usage will increase, but is there any concern in the MOD about the lack of calls having an effect on the deskilling of the work force at the telephone advisory service?

Several references have been made to military families, and I was pleased that today's statement recognised that families who have a nomadic existence should neither suffer nor fall to the bottom of the list for housing, health care or education. It is a welcome step, but its implementation will be an awful lot more difficult. We need to ensure that people understand that they are not being de-prioritised, and that they get the place they deserve. Getting a dentist is difficult enough as it is, so it is important that we do not penalise military families. When they are overseas, perhaps in Germany, they receive appropriate care because they are cared for by Defence Medical Services, but it does not seem to be the case in the UK, so I should welcome some progress.

The report did not make an awful lot of the shortage of key personnel, but there are a number of shortages, and the MOD must recognise that a huge amount of work will be required both to keep people in the forces and to recruit new people. The training facility is excellent and will be very helpful to their careers, so to counter those shortages, we should get the message out that those people are welcome in Defence Medical Services. The fundamental problem, however, is overstretch. We ask people to do too much in difficult conditions, and it is no surprise that they leave early. We need to address the issues of overstretch and what we ask people to do.

Overall, the report is excellent. It is balanced and considered, and the MOD must be congratulated on its improvements. I thank all the people who make the armed forces health services the success that they are, and I hope that as many people as possible outside the Chamber—in the armed forces and beyond—read the report and recognise the progress that has been made.

4.19 pm

Dr. Andrew Murrison (Westbury) (Con): I start by declaring my interest as a medical officer in the reserve forces.

I pay tribute to the House of Commons Defence Committee for delivering its report on an issue of vital importance to our armed forces, and to the Chairman of the Committee, my right hon. Friend the Member for North-East Hampshire (Mr. Arbuthnot), for the manner in which he delivered the report this afternoon. I also pay tribute to the men and women of our armed forces and, of course, to those who look after them, both within the Defence Medical Services, the NHS and increasingly the charitable or third sector.

Today has been quite a big day for the armed forces. We had the launch of the Command Paper. There are lots of very good points in it, a few of which, I must say to the Minister—if I may pull his leg—are eerily familiar. However, I commend in particular the Government's attitude towards service families and NHS waiting lists. Furthermore, after my brief reading of the report this afternoon, I also commend the statement that people who are being cared for at Headley Court will be cared for to the same standard in the NHS when they become veterans. The Minister and I have corresponded about that issue over the course of several months, so the statement on it is very welcome.

The Defence Committee rightly asked the Government to be more explicit about the so-called Lichfield-Selly Oak dumb-bell, but the response from the Government at the time seemed to duck the issue. Since then, we have been told that Ministers have assessed the project and are now able to give it the green light. Underpinning the whole project, of course, is the need to allow an Army training regiment to relocate from Lichfield to Pirbright, and I will talk a little more about that issue in a moment.

Before I do so, I think that it would be instructive to refresh our memories about the move to Selly Oak and to consider what lessons it might have for the future of the DMS at Whittington barracks. The closure of Haslar dates from Admiral Timothy Laurence's committee of 1998, which considered that the MOD should not be in the business of running hospitals. Ministers readily agreed to that and a centre for defence medicine was proposed, to be based ultimately in Birmingham, which would cost £200 million.

At the time, the money did not materialise and the Royal Centre for Defence Medicine landed up in a somewhat undistinguished redbrick Victorian building, where it remains to this day. We really should take our hats off to the DMS for putting such a brave face on conditions that are far less inspiring than the service warrants, particularly in current operations.

If the £200 million was pulled in 1998, I must ask the Minister what hope the DMS has of anything really good at Whittington barracks. The stakes are very high indeed, because if the job is poorly done it is likely to lead to further embarrassment for the Minister or his successors, as trained staff decide to leave the armed forces because they feel dispirited, demoralised and undervalued.

I know that the Minister talks to members of the DMS frequently and members of the Defence Committee have also talked to them. I talk to them too, although sometimes on slightly different terms and I must say that the views that are often expressed by the hierarchy, if I can put it that way, sometimes deviate from those expressed by those lower down the tree. That is only to be expected, but I am particularly concerned by the views expressed by people at the coal face, because those people are the future of Defence Medical Services and they are the people who, on a day-to-day basis, are providing the service, both in the UK and, of course, abroad, which is crucial at the moment.

The Midlands Medical Accommodation project was at initial gate in August 2006. According to the Defence Medical Education and Training Agency, main gate was meant to be achieved at the end of last year. I would be grateful if the Minister could tell us why there has been a hold-up. In the deteriorating climate, we have to be cautious about the project coming to fruition. I have to say, however, that it is a matter beyond even the Minister's exalted pay grade. Can he reaffirm his predecessor's commitment to Whittington barracks in the event that DMS does not, in the end, move there?

In 2006, we learned from the right hon. Member for East Kilbride, Strathaven and Lesmahagow (Mr. Ingram):

> "If on the other hand, the transfer does not take place, Army training will continue on the Lichfield site."

I hope that the Minister is able to repeat that commitment today.

Over the past 25 years, medics have become increasingly integrated in the mainstream of our armed forces. Can the Minister tell us what assessment he has made of the importance to the men and women of the Defence Medical Services of being located as close as possible to front-line units? It would be useful if he could frame his remarks in the light of the inconvenient fact that Keogh barracks and Fort Blockhouse are about as close to the heart of the British Army, Navy and Royal Air Force as we are ever likely to achieve.

One does not need to be Mystic Meg to foresee that, if the Whittington project has its funding pared down through harsh economic circumstances, the DMS would find itself in a very uncomfortable situation. Not only would its quarters be substandard but it would be left isolated from front-line units and, crucially, it would be seen as being out on a limb compared with the mainstream of the armed forces.

Page 8 of the report deals briefly with the operation of DMS. It has been ruled latterly by a curious bipartite organisation that includes two three-star officers who sit side by side, a little like the Popes of Avignon and Rome. The deputy chief of staff (Health) is a line officer and the surgeon-general, of course, is a doctor. If we are honest, the post of DCOS (Health) was created because, in the past, doctors have proved to possess variable—should we say?—management skills. Sometimes they are truly excellent and sometimes that is not quite the case, so I ask the Minister to consider whether we continue to require both those people. Of

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course, we should remember in that context that we continue to have the three single service "tribal chiefs", as medical directors-general at two-star level. For a small medical service, that structure looks increasingly top-heavy.

The Defence Committee heard that we will now have something called the Joint Medical Command, which is currently at Fort Blockhouse, and, eventually, another body called the Strategic Medical HQ. Of course, under current plans both those bodies will be housed at Whittington barracks, once their new offices have been built.

While not wanting in any way to harm the career prospects of my old friends and colleagues in the DMS, I would counsel some caution. Medical personnel have integrated with the command structure as never before, which is exactly as it should be, so I hope that establishing a stand-alone medical command, as it were, and a shift towards the west midlands and away from front-line fighting units will not signal a new era of isolation for the DMS.

Such a situation would be very bad for the credibility of defence medicine and also for the health of the population it serves. Furthermore, it would be a bitter irony if, in their haste to merge with our NHS, our defence medicine personnel found themselves estranged from their patient base, the men and women of our armed forces. Such a development would call into question the whole purpose of the DMS and suggest that perhaps we might even go the whole hog and rely on an extension of sponsored reserves taken up from the NHS. Indeed, that is largely the direction the Americans have taken with their equivalent medical services.

There are a few small points in the Government's response that need to be picked up briefly. In paragraph 18, the definition of veteran is given as a person

"who has served for at least one day in HM Armed Forces"

or allied services. That may be expedient; I perfectly understand why the definition was chosen. However, I ask the Minister if it is, in fact, wise. We must value our veterans and in doing so we must protect the "brand". It seems a little odd that a youngster who has turned up at Pirbright or HMS Raleigh, disliked what he saw and taken the next train back home should be given the privileges of a 30-year-old who has deployed half a dozen times and has a chestful of campaign medals. A more realistic definition would be that personnel have at least passed out of basic training, and I ask the Minister to give that suggestion some thought.

I agree with the Government and disagree with the Committee over the flagging of veterans for the purposes of health care. We need to be careful to protect the confidentiality of servicemen and that extends to the Defence Medical Information Capability Programme. Can the Minister confirm that the same opt-outs that apply to civilians and the national programme for IT in the NHS will apply to servicemen and DMICP? DMICP was meant to be available in a deployable form from this year, but I have not seen it. Where is it, and how far behind schedule is the programme? Can we take it that the operational capability envisaged for 2010 will not now be achieved?

If I may express a few gentle words of surprise at the Select Committee's report, I would have to say that it focused very much on secondary care, both in this country and on deployment. I am afraid that a constant failing of politicians is that we like to think of health care in terms of hospitals, surgeries and so on. We need to understand that in service medicine, as with practice in civilian life, most encounters take place in a non-secondary care setting. There might have been a little more recognition of the importance of public health and preventive medicine.

It is important that we pay close attention to what one might call service-attributable illness and injury. We should ensure that, as far as possible, people are not harmed by virtue of their service, and that such an approach extends well beyond post-traumatic stress disorder and traumatic amputation. Had there been a little more time, the Committee might have considered the excellent research work done in the DMS, in particular by research institutions such as the Institute of Naval Medicine in Gosport and the Institute of Aviation Medicine. They do extremely important work to enhance clinical care and occupational health. We should not overlook the niche capabilities—some of which are found in those institutions—that are not easily available in the NHS and which the armed forces must continue to provide from their own resources, such as hyperbaric medicine, aviation medicine in general, field and survival medicine, and medicine that deals with the health issues relating to human factors and the extreme physical and environmental circumstances encountered by the armed forces.

The Select Committee report did not dwell on pinch points in the DMS other than to say that there is a problem with retention. Again, had there been time, there might have been some exploration of the impact of the shortage of uniformed psychiatrists. I was surprised that in his statement today, the Secretary of State spoke about deploying psychiatrists. What he neglected to say, of course, was that there are not really any to deploy.

Mental health is an area of service health care that requires, more than most disciplines, an in-depth understanding of the occupational situation in which patients exist and to which we hope that, ultimately, they will return, yet the DMS is short of 14 uniformed psychiatrists—at least it was in January. What impact does the Minister think that that has on the quality of health care provision and what is he doing to improve matters?

The Priory Group's extended contact expires this November. Can the Minister say when the result of the compulsory competitive tendering exercise to find a replacement will be known? Can he update us on the pilot schemes for veterans' mental health being run by Combat Stress?

The hon. Member for North Durham (Mr. Jones) spoke correctly about the impact of the press and much of the unsubstantiated adverse reporting that we find in certain elements of it. May I suggest to him a pamphlet published last week about the misunderstandings surrounding the Muslim community in this country? It was written by a journalist—Mr. Peter Oborne, as it happens—and examined the issue well and in some depth. It is a good piece of work and, in the sense that it was written by a journalist, is by a poacher turned gamekeeper. I found it very instructive indeed.

Mr. Kevan Jones: Are we to infer from what the hon. Gentleman says that he will tell the hon. Member for Woodspring (Dr. Fox) not to use some of those spurious arguments when he takes part in defence debates in the House of Commons in the future?

Dr. Murrison: I will defend any of my colleagues and, indeed, any constituency MP who highlights such matters in the Commons and calls Ministers to task on any area of responsibility at all. Anything that my hon. Friend the Member for Woodspring says is well researched and would not be subject to the kind of scrutiny that Mr. Oborne refers to in his report. Mr. Oborne deals very well with some of the more hysterical reports in the press, and the Opposition, who take a serious view of such things, certainly would not pander to them. I can assure the hon. Gentleman of that.

In concluding my remarks, it is important that I say how much I agree with the hon. Member for Portsmouth, South (Mr. Hancock) and my hon. Friend the Member for Gosport (Sir Peter Viggers) in their defence of the work at Haslar. I served at that hospital, which has provided first-rate medical care for many years, and I pay tribute to all those who have worked there. I very much hope that even at this late stage we can review the site to determine whether there is a military health care use for it that may be helpful to DMS or to some of the other organisations that have been mentioned today. After so many years, it would be a pity to lose it, particularly given the nature of the site, which, as my hon. Friend said, is extremely challenging. It is well set up for health care but may present problems for other usages.

Mr. Hancock: To a great extent, I support and have sympathy with the points that the hon. Gentleman is making. However, on Haslar, does he agree that it was more than mischievous for the Leader of the Opposition, the right hon. Member for Witney (Mr. Cameron), to suggest that if he were to come into office, he would keep Haslar open as a hospital, given that it will close in the middle of next year, and that the transfer from its facilities to Queen Alexandra hospital will be completed by the end of June next year? To give that sort of hope to people who have fought a good campaign was maliciously irresponsible and very unfair.

Dr. Murrison: The hon. Gentleman cannot have it both ways, though it is typical of the party that he represents to try to do so. Nevertheless, I am grateful to him for allowing me the opportunity to put on record my party's position, which is that, if elected, we would hold a review of the Haslar site and its future in defence health care. That is the position outlined by my right hon. Friend the Member for Witney, (Mr. Cameron) and it remains our position. I am grateful to the hon. Gentleman for allowing me to say precisely that, but I do not think that there were any doubts at all in the minds of anybody associated with Haslar.

Sir Peter Viggers: I was present when the leader of our party made a statement on Haslar in my constituency, and he used exactly the same judicious words that my hon. Friend just used.

Dr. Murrison: I am grateful to my hon. Friend. I look forward very much to visiting Haslar again in the near future, when I will reiterate the same judicious words. I would have thought that the matter was simple and fairly straightforward. I look forward to an opportunity to hold the review in the next few months, and I believe that people in Gosport generally and those in defence medicine look forward to that day.

Since defence cost study 15—DCS15—in 1994, the DMS has had a torrid time, yet it has stepped up to the plate time and again. To be honest, I see little prospect of better times ahead, certainly in the medium term, but we live in hope if not in expectation.

4.39 pm

The Parliamentary Under-Secretary of State for Defence (Derek Twigg): This debate on Defence Medical Services has been fascinating. I pay tribute to our armed forces, who, as I have said on many occasions, are outstanding in terms of their bravery, sacrifice and professionalism. As we are talking about Defence Medical Services, I should like to give special mention to our medical service personnel, whom I have seen in Iraq and Afghanistan and at various places in the United Kingdom and elsewhere: they are truly outstanding. Considering the amount of trauma that they have to deal with, both in Iraq and Afghanistan, at field hospitals and in places such as Selly Oak, it is amazing how they cope with that and get on with being the professionals that they are. We must not forget that we are asking an awful lot of them in that regard, so I pay tribute to those people, many of whom are very young. They are truly outstanding.

I am pleased that the Defence Committee made so many visits; it is a tribute to the Committee that it put so much time and effort into this subject—rightly so, because it is vital to the health and well-being of our armed forces. The Committee went not just to Selly Oak and Headley Court, but to RFA Argus to see a field hospital training exercise. Those hon. Members who witnessed that could not but be impressed by it. I pay tribute to the Committee for the time and effort that it put into the report. I regularly sign off submissions to the many questions that it asks, which shows how thoroughly its members do their job. I am grateful for the feedback provided by the Committee, which said that it was impressed, having made those visits and received the relevant information.

I shall not spend too much time talking about Selly Oak, because there is not a lot that we need to defend: the work that it has been doing is outstanding. It is unfortunate that things happened in the media and elsewhere that caused a lot of distress to service personnel and their families, because we know that the treatment and care at Selly Oak, both by the NHS and military practitioners, was outstanding. There were issues to do with welfare, support, reception of relatives and accommodation. However, that was not the NHS's fault. In fact, that is something that we needed to do and improve, and it is being done by the services. Significant improvements have been made, although I will not go into all of those.

On my last visit to Selly Oak, just a few weeks ago, I talked to almost all the patients there at the time. Again, their view, to a person, was that they had superb treatment, care and welfare facilities. That reflects my experience, having visited many times. There were no complaints; I heard only praise. On occasions, things are perceived as going wrong, or do go wrong, as happens in any hospital

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or similar institution, but it is inexcusable to use that as an example showing that the whole thing is wrong, and then say that there is a problem. The true test is talking to the service personnel and their families and seeing the results of treatment, in saved lives and limbs, not just in field hospitals, but at Selly Oak and elsewhere.

I should like to deal with the concerns about meeting the needs of veterans, service personnel and families. We published a Command Paper today, demonstrating our commitment to the best possible care for our service personnel, their families, and veterans. I will tell hon. Members more about that in a few minutes. Over the past two years, we have worked hard to ensure that our medical care remains world class. I accept, as the hon. Member for Westbury (Dr. Murrison) said, that our defence medical staff are under great pressure: they are doing an awful lot, given the tempo of operations at the moment, and we need more people. Although we have met all our commitments, whether in respect of reservists or using civilians, we are asking a lot of defence medical staff, and we have to do more to maintain recruitment and retention. No one has ever tried to deny that from the Government's point of view. A lot of work is taking place, and given the arduous nature of operations, the dedicated care that those staff give patients is outstanding.

We are all struck by the commitment and hard work of our people in our field hospitals in Iraq and Afghanistan, which Committee members have visited. Those people have to deal with horrific injuries, but they get on and do the job. The field hospital at Camp Bastion has moved from tented accommodation to purpose-built infrastructure: the building is temperature controlled and includes a fully equipped operating theatre, an intensive treatment unit for the most critically injured individuals and state-of-the-art medical technology, such as the CT scanner, allowing high-quality imaging of complex injuries, which ensures swift and accurate clinical decision-making. The facility brings together the skills of experts in trauma surgery and recovery, intensive care and nursing with state-of-the-art equipment. However, we are not simply concerned with saving lives in operations—of course, that is a key factor—as we must do our best to ensure that our wounded have continuity of high-quality care, including rehabilitation. The work of Defence Medical Services and NHS staff at Selly Oak, Headley Court and other facilities is vital to the care of our wounded. I have already praised the people at those facilities for what they do. We continue to build on that success.

Today, we published the first ever cross-Government strategy for supporting our service personnel, their families and veterans. The Command Paper will reinvigorate the cross-Government delivery of services to our service community, as well as providing us with an opportunity to continue to develop our work with the devolved Administrations. The Committee rightly raised a number of issues with regard to that. However, the situation has changed beyond recognition, given the work that is taking place at both official and ministerial level. I have met my ministerial colleagues in the Scottish Government on a number of occasions—I was up there earlier today—and there is a close degree of co-operation. We must keep focusing on that. The Command Paper is about cross-Government working. Supporting our servicemen and women, their families and veterans is not just the responsibility of the Ministry of Defence, but is a cross-Government responsibility. I can assure hon. Members that that is taking place and that there is a close degree of co-operation.

We owe our service personnel a debt of gratitude, and it is important that we deliver a comprehensive, fair and relevant package of support, which is set out in the Command Paper. The demands of service life affect not only our armed forces personnel, but their families, who support their careers by accompanying them around the UK and overseas and maintain stability while spouses, parents and/or children are deployed. In addition, we must always remember those who have served and those who paid the ultimate price and the families they left behind. We have a duty to ensure that people receive the support that they need in recognition of their service. While we continue to deliver improvements to the package of support we provide to our service community, we in Government know that more is possible. This work underlines our commitment to work relentlessly to continue to improve health care services to service personnel, their families and veterans.

A lot has been said today about Headley Court and, as I said earlier, I share the Defence Committee's recognition of the achievements of the staff and patients there. As hon. Members will know, I visit the centre regularly. The dedication and hard work of the staff there, and the courage of the patients, never ceases to amaze me. The Government promised in their response to the Committee's report to make available the outcomes of their review of rehabilitation services as soon as they were ready. I am pleased that we were able to provide the Committee and Parliament with that information in May.

The review concluded that defence medical rehabilitation is a success story, returning service personnel, whenever possible, to full operational fitness faster than in the past. The review confirmed that Headley Court should continue to be the specialist centre for rehabilitation, and it recommended further improvements to allow it to continue to deliver first-class rehabilitation. Indeed, today's Command Paper underlines the Government's commitment to ensuring the high level of care provided by Headley Court through to the NHS.

My right hon. Friend the Secretary of State announced on 6 May that we have decided to invest an additional £24 million in the Headley Court site, as hon. Members have mentioned, over the next four years, to maintain and enhance the facilities and capabilities. It is an old, tired building and it needs work, as we must make a number of improvements. The additional money will enable us to replace the new ward annexe, which was designed to be a temporary structure, by extending the Peter Long unit and incorporating into it an extension and an expanded prosthetics facility, treatment areas and imaging facilities. That money will allow us to replace progressively, over the next few years, all the existing 180 non-ward bed patient and staff accommodation.

I pay tribute to the charitable bodies that have contributed to the work at Headley Court and its predecessor organisations since it first opened its doors to RAF patients shortly after the second world war. The estate is owned by a charitable trust, which has contributed generously to the improvement of facilities on the site. The Soldiers, Sailors, Airmen and Families Association has purchased a house in nearby Ashtead, which was opened earlier this year as a home-from-home for families visiting patients at Headley Court, supplementing accommodation that we provided on-site.

Last year, a new charity, Help for Heroes, generously offered to raise funds for a swimming pool and gym, which would together form a new rehabilitation complex, with additional space for rehabilitation and assessment. There are already a number of gyms on the site, and a hydrotherapy pool as well. It is important that we work closely with the service charities and other charities to ensure that we can provide the best possible support for our service personnel and their families. That has always been the case. Nevertheless, I welcome the help given by charities. As I said on 6 May, my right hon. Friend the Secretary of State has decided to invest £24 million, but with current funding for facilities, Headley Court will see investment over the next four years totalling some £28 million, in addition to the funding that Help for Heroes will provide.

Turning to investment and improvement at Birmingham, I was delighted earlier this month to visit the site of the new hospital. It is not yet complete, but I went into a ward that had been provided with some beds showing the form of the cubicles and individual rooms to get an idea of scale, and I was impressed. There will be a military ward at the new Birmingham hospital, and most people accept that Selly Oak hospital is at the leading edge of medical care for the most common sort of injuries sustained by military casualties, such as polytrauma. We have been developing a military-managed ward at Selly Oak hospital, and we want to migrate that concept to the new hospital at Edgbaston.

The new hospital will offer outstanding facilities for military patients. The military ward—the design has now been agreed in outline—will be a designated trauma and orthopaedic ward within the trust's trauma and orthopaedic division. It will have additional features for the exclusive use of military patients, acknowledging that they have special requirements and are likely to benefit from being together. It will be the ward to which the majority of military patients will, when clinically appropriate, be admitted when their specialist or acute care requirements have been met. The ward will be managed by a senior military nurse—the ward manager—who will be selected and appointed by the MOD in consultation with the trust, and it will be staffed by a combination of military and civilian nurses, the majority of whom will continue to be military.

Military patients will be cared for in single or four-bedded rooms, all of which will have en-suite facilities. The ward will have the capacity, if required, to accommodate about 30 military patients. That number is higher than the number currently accommodated. Civilian patients will occasionally be admitted to the ward, as capacity allows, but unless a major civilian emergency requires all available bed spaces, it will always be possible, because of the configuration of the ward, to care for military patients separately from civilians.

It was interesting to talk to injured service personnel at Selly Oak. When I asked them about being cared for with civilian patients, many of them said that they had no problem with that. Some do, but it is interesting that quite a few do not and find it useful to be with civilian patients. However, because of the nature and format of the new ward, we can care for our military patients separately from civilian patients. We shall incorporate new features in the military ward, and space will be provided exclusively for military use, including a quiet room for briefing relatives, a communal space for military patients to gather, facilities for exercising, and a dedicated military rehabilitation area close to the ward.

The new Birmingham hospital will be Europe's largest and most modern acute care facility. I am absolutely convinced that it is the right place for the teaching and research work of the Royal Centre for Defence Medicine and the care of our operational casualties. That is why today we have reinforced our pledge to ensure the continuity of the facilities provided by Selly Oak, the enhancement of its ethos, and further improvement of the facilities provided to families.

I shall refer briefly to the midlands project. I am pleased that a decision has been made on the redevelopment of Whittington barracks, Lichfield, for use by DMS. The project's assessment phase is complete, and the Government have concluded that the strategic, operational, economic and personnel benefits will fully justify an investment of about £200 million over the next few years. Co-location on the Whittington site of the DMS headquarters and the DMS training centre will provide a critical mass of military medical expertise and assets in the midlands. The area will be reinforced as the central focus for British military medicine, and Lichfield will provide the future military home for DMS, which will work in close partnership with local universities and the NHS. All the related military medical activities benefit, and can benefit further, from relatively close proximity.

Our project assessment confirmed that the Whittington site offers excellent potential for meeting DMS needs. A combination of new build and the upgrading of existing buildings will provide high quality, fit-for-purpose accommodation, training and sports facilities within easy travelling distance of Birmingham, including the RCDM. The site also offers an adjacent military training area, and full planning approval for the redevelopment of the site has been granted. The project will be delivered in three increments. The first will be the relocation to Lichfield of new strategic medical headquarters and headquarters for the recently established joint medical command by 1 April 2010. Increments two and three will be the relocation of the DMS training centre, and the provision of training facilities and accommodation for staff and trainees between 2010 and 2014. By the end of the project, there will be more than 1,100 DMS personnel at Lichfield, including up to 700 trainees. The project will deliver 811 new single living accommodation bed spaces. The decisions announced yesterday on military medical accommodation in the midlands are further evidence of the Government's commitment to the health care of service personnel.

I want to bring hon. Members up to date on significant and perhaps under-appreciated developments in DMS clinical care, especially the early stages of the care of battlefield casualties. During the past 18 months, DMS has developed and introduced a number of advances to ensure that it has assessed best practice worldwide, including US experience, and it has carefully audited the outcomes using internationally accepted methods.

The recently published *Journal of the Royal Army Medical Corps* provides the most comprehensive collection of papers yet of UK medical experience on current

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operations. It shows that the priority that we have placed on maximising survival on the battlefield has proved successful. The underlying message is that more personnel are surviving than would be expected, given the severity of their injuries; that the quality of care for the injured is at least the equal of that usually found in the UK; and that our success coincides with the introduction of a significant number of initiatives.

Dr. Murrison: The Minister cited the *Journal of the Royal Army Medical Corps*. Does he recall, as I certainly do, a paper that it printed about two years ago by a distinguished orthopaedic surgeon and member of the RAMC, which pointed out that there is a severe airlift shortage for combat evacuation in theatre? If he does, will he assure us that that has now been rectified?

Derek Twigg: The hon. Gentleman will be aware that we have increased the number of helicopter hours. I make regular checks, and the medical evacuation teams in Afghanistan are doing an amazing job and saving lives today that might not have been saved a few years ago. We are always trying to put more resources in. We have increased the number of helicopter hours, and we are trying to increase them further, but our medical services in Afghanistan are of such a standard that they are saving lives that might not have been saved a few years ago. That is due partly to improvements in civilian medical care and the introduction of CT scanning on deployment, and to our ability rapidly to exploit new technologies and equipment such as the introduction of a bandage that reacts with blood; a bandage that enables local pressure to be better applied to a wound; and a tourniquet that can be applied one-handed, and is issued to every soldier. That has given our soldiers the means to save their own lives. We are sharing those lessons with the NHS and civilian health authorities, not least because reservists are going back into the NHS, so they are benefiting the country as whole.

It is important to make the point that others provide support, including the National Blood Service, through the provision of blood and platelets to deployed theatres. Such services, together with the Medicines and Healthcare products Regulatory Agency, provide support and governance advice in procuring equipment and setting up a process that enables us to take blood from soldiers in theatre, remove the platelets and return the red blood cells to the donor so their performance is not compromised. That represents a technological solution to the medical and logistical challenges posed by the need for platelets to be delivered daily to theatre. The Defence Medical Services are determined to learn constantly, to engage in scientific debate, to stimulate further research and development that will assist us to maximise the survival rates of personnel injured on the battlefield, and to improve the quality of life for the survivors.

On the priority treatment of veterans and associated issues, we all accept that over decades entitlement to priority treatment has not been made well known to veterans and has not always been used as we would have liked or expected. We made an announcement towards the end of last year about extending the priority so that GPs can make referrals if they believe that an injury was caused in service. The reinforcement of that is now taking place for GPs, primary care trusts, hospital trusts and so on, which is a good step forward.

The Committee rightly raised concerns about how we make that process stick and work. It is right to deal with that, which is why the cross co-operation between ourselves, the NHS and the devolved Administrations is important. It is important to get the information out through the ex-charitable organisations, journals, websites, the Veterans Agency and GP surgeries. I accept that if I asked some GPs if they know about the announcement, they might well say, "I'm sorry, I don't know about that. I get lots of information passed through to me about various issues." The key is to keep ensuring that we reinforce the message. The way to do that is to keep checking that the message is getting through. However, something that has not happened in decades is not going to happen within a few months. We must maintain the pressure in relation to that and I assure hon. Members that making sure health care workers are aware of that process is one of my priorities.

In terms of veterans health and tracking, hon. Members will appreciate that although we accept that more can and should be done, the millions of veterans we currently have—three still from the first world war, many from world war two and many from the period of conflict in Northern Ireland—means that it is impossible to track veterans. The records do not exist and people move or there are changes in many other sorts of circumstances. The defence medical records system and the link to the NHS mean there is an opportunity to do more, which we will consider.

It is a fact that once some people leave the services, they do not want anything more to do with the military and that is the end of it—although they might change their mind in 20 or 30 years' time. It is also a fact that the vast majority of service personnel do not have any issues or problems whatsoever; they get into employment pretty quickly and get on with life. They use their immense skills, training and various professional attitudes to become good citizens who contribute in a variety of ways. We must do more for those who do get into difficulty because it is a great tragedy when that happens. We will, of course, continue to explore how we can do more in that area, as the Committee has requested.

I shall emphasise a number of the initiatives we have launched in relation to mental health. There were also a number of issues that we set out today in the Command Paper. In terms of the mental health pilots, we started first with Camden and Stafford and we are still rolling out the rest. It is early days yet to take a concrete view on the success of the pilots, but they seem to be working well. We are working with Combat Stress and, of course, the NHS to provide veterans with a mental health service. Over the next few years, initiatives are also taking place in the NHS to increase therapists. That is a key part of the process and will take account of the issues around veterans' health.

The extension to the medical assessment project that I announced across the river at St. Thomas' hospital means that any veteran from 1982 onwards can go for a mental health assessment. They should primarily be referred to an assessment by a GP, but they could self-refer.

Linda Gilroy: May I remind the Minister of a point made about the funding and Combat Stress? I appreciate that extra funding has gone in, but I believe that the specific problem is about the new NHS model of funding that is being developed, rather than the MOD model. Is the Minister aware of that?

Derek Twigg: I am not aware that that is a problem. The point is that we are working together with Combat Stress and the NHS to develop the veterans' mental health service. We have put significant funding into Combat Stress and I see Toby Elliott, its chief executive, on a regular basis. I am not aware of the specific problem that my hon. Friend mentioned, but I am happy to come back to her on that.

Willie Rennie: My understanding is that the concern is that the future funding of Combat Stress will come through the Ministry of Defence, rather than the NHS.

Derek Twigg: It is important to ensure that those who need help go to the right place and therefore commissioning to provide that is the right way to go. That help might be at a Combat Stress facility or it might be part of the NHS. Obviously, by that stage, we hope there will be a service for veterans' mental health. The key thing is to make sure that the veteran is directed to where they can best get help, and commissioning that process by working together is the correct way forward.

Mr. Hancock: May I return to the issue of giving proper support for veterans and raise the point again about veterans in prison who suffer from psychiatric illness? They will not have organisations such as Combat Stress available to them and will not have some of the dedicated medical care that is available to civilian veterans. Those in prison are particularly vulnerable and need to be given some consideration. The link between the MOD and the prison service needs to be considerably strengthened.

Derek Twigg: The hon. Gentleman makes an important point and research has taken place on the issue. Dr. Ian Palmer, the psychiatrist who runs the medical assessment programme at St. Thomas', has offered his services, about which I have written to the Under-Secretary of State for Justice, my hon. Friend the Member for Liverpool, Garston (Maria Eagle). He is willing to go into prison to do assessments. That offer has been made, but the hon. Gentleman is right: we need to consider what more we can do in that area, as it is of concern.

Willie Rennie: I should have made it clear to the Minister earlier that Combat Stress is concerned that it would have to bid to a variety of NHS trusts throughout the country, rather than just to the Ministry of Defence. That would create a huge bureaucratic burden on Combat Stress and might make its operation quite difficult.

Derek Twigg: The intention is not to create a huge burden; it is to get it right for the veteran and to establish where they would get the best support. Combat Stress is working with us on that. In any relationship there are always issues when pilots are developed. The whole point of having a pilot is to consider the potential problems that might arise, but we also need to develop a service that fits the model we are looking for. We work closely with Combat Stress and I have listened carefully to its comments. I am sure that that partnership will develop further in terms of how we commission services for veterans. I re-emphasise that the connection with the devolved Administrations is also important in relation to mental health issues and that we are working with them on that.

A point about service personnel was made and, as hon. Members will know, there is the reservist mental health scheme in Chilwell, to which reservists can be referred if they have a mental health problem. They could obviously then be admitted to one of our mental health units if necessary. The way we approach mental health generally is to hold pre and post-deployment briefings for our service personnel, which are increasingly led by commanding officers. There is a big issue about stigma that we have to deal with. Although that problem is improving, we must do more work on that and there has to be leadership from the top.

Linda Gilroy: Will the Minister give way?

Derek Twigg: I will when I have made this point. We have deployed medical staff in theatre to provide help if necessary. In fact, I heard about one medic who flies out in a helicopter to a forward operating base if necessary to provide the right sort of counselling or help.

I cannot say that the system is perfect, but I believe it is a good model and we must keep it under scrutiny and assessment. If someone has a particularly difficult problem that needs to be dealt with, they can come back to the UK. There has been a lot of work on the trauma risk management project, which the Royal Marines have used. The Army and others are also going to use that project.

On the decompression period in Cyprus, I was talking to some Scottish soldiers today who believe that it is a good process and that it is the sort of thing that should happen. At the moment, there is no evidence that the process works, but everyone feels that it is a good thing. Again, I have been to see the facilities in Cyprus, which are good—although they need constant attention and improvement. That is something we must do. A number of mental health initiatives are not just for veterans, but our serving personnel.

Linda Gilroy: I thank my hon. Friend for giving way, but in the interim he made reference to what I was going to ask about, which is if he recognises what I refer to as the "buddy" scheme that was developed by some of the Royal Marines based in Plymouth. That is becoming increasingly widely used to deal with some of these issues.

Derek Twigg: Yes. My hon. Friend makes an important point. The Royal Marines have done a lot of work on the issue. It is important that, in the light of experience, we constantly review what we are doing. We know the type of combat experiences that our armed forces personnel are going through at the moment.

The Priory was mentioned. We are asking for bids for the contract in that respect. We are not in a position to announce a decision on that, but we will do so as soon as possible. We have a liaison officer from one of the mental health units at the Priory centre regularly. I am not aware of any specific problems regarding the treatment and care there, but I am always happy to look into an individual case.

[Derek Twigg]

Primary care and governance in clinical care were raised. That is an important point. One of the questions that I asked some time ago was how we know that the DMS provision of medical services is at the level that we expect. We believe that we know it is, and clearly we are seeing the results in trauma care, but we also have to consider services elsewhere, such as in primary care and so on. That is why I asked the Surgeon General to examine the issue and why he has agreed, along with the Healthcare Commission, to do an inspection. The Commission for Healthcare Audit and Inspection (Defence Medical Services) Regulations 2008 were laid before Parliament.

I think that we are of the same mind on the issue. We need to keep a constant watch to ensure that we continue to make improvements. Of course, that does not take away from the amazing care that our service personnel receive. Some of the negative points from the armed forces continuous attitude survey were mentioned in the press last week, but one of the positives was the way in which our service personnel welcomed the medical care that they receive.

With regard to the German issue that the hon. Member for Dunfermline and West Fife (Willie Rennie) mentioned, I am not aware of any particular problem being caused at the moment. However, I will be happy to write to him once I have examined the issue and I will do that as soon as possible.

5.11 pm

Mr. Arbuthnot: With the leave of the House, I shall end the debate with a few short remarks. I thank very much those hon. Members who have played such a valuable role in both the inquiry and this debate. I shall wind up the debate with only three points. The first relates to the charities that have received such honourable mention today, such as Combat Stress, Help for Heroes, SSAFA—there are many others. One view that the Committee strongly holds, perhaps in contrast with some members of the public, is that there is nothing intrinsically wrong with medical help for our men and women in the armed forces being provided by charities. There is something very valuable about members of the public being able to express in a tangible way their support for the work that our armed forces do in such dangerous and demanding circumstances, so I pay tribute to the charities that achieve that.

I am pleased to say that my second point has been made already by the Minister. He said in relation to mental health that there is an issue of stigma that we have to overcome. We need to get past that. We need to move on, beyond the stigma attached to mental health, and I am pleased to say that that is gradually beginning to happen in this country. When people go out and do such incredibly dangerous things on our behalf, there is no reason to suppose that they are physically invulnerable, so there is equally no reason to suppose that they should be psychologically invulnerable. In either case, they need the best possible care.

Finally, this debate and our inquiry have shown that often it is the members of the armed forces themselves who are concerned about the medical care that they may receive. When we went to Camp Bastion's hospital last week, we found that the armed forces were taken round and shown that hospital, which made them realise that it was a proper hospital in the most extraordinary conditions in the desert. As a result, they felt that they would be well looked after if they were wounded, whether seriously or less seriously. They felt that they would receive proper care, so to those members of the armed forces who are listening to this debate—I hope that that is every single one of them, except for those very actively engaged—we can say that they should be reassured and their families left behind at home can also be reassured that their loved ones are in the best possible hands with the Defence Medical Services, to which we all pay tribute.

Question put and agreed to.

Adjourned accordingly at fifteen minutes past Five o'clock.

Westminster Hall

Tuesday 22 July 2008

[MR. BILL OLNER *in the Chair*]

Post Office Closures (Buckinghamshire)

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mark Tami.]*

9.30 am

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): I thank the Speaker's Office and the shuffle. I am not sure what is involved in securing a debate, but I have applied every week for this one on behalf of my hon. Friend the Member for Wycombe (Mr. Goodman) and my hon. and learned Friend the Member for Beaconsfield (Mr. Grieve), who is sitting next to me on the Front Bench. We feel that it is extremely important to highlight the five post offices in my constituency, the two in that of my hon. Friend the Member for Wycombe and the seven in that of my hon. and learned Friend the Member for Beaconsfield that are earmarked for closure.

I am familiar with the great work of the Minister for Energy—we have debated on many occasions, not least in the Welsh Grand Committee—but I am disappointed to see him in the Chamber this morning. Only minutes before this sitting, I was notified by the office of the Minister for Employment Relations and Postal Affairs that that Minister would not be able to reply to the debate. Perhaps he is suffering from post office debate fatigue; with the large number of post offices all over the country earmarked for closure, I can imagine that he might be sick and tired, but it is extremely disrespectful to my constituents and the people who are so desperately worried about the loss of their facilities for him to deem that he has a more important meeting. I exchanged words with him on the phone this morning and told him that I would raise that point in the debate.

It is unusual for a Minister not to take up an appointment for a debate in Westminster Hall, particularly on matters of such sensitivity that have been raised with such persistence by my party. I start the debate with regret that I am faced with a different Minister who does not hold the post offices brief, but I am delighted to welcome him to his place. I know that he is a very competent Energy Minister. I hope that he will exhibit the usual reading skills of Ministers drafted in at short notice.

There has been public outcry in my constituency about the threatened closure of five post offices. An unprecedented number of signatures have been put to petitions concerning all five, and I will place those petitions in the bag later today. As the consultation period will not close until after the House has risen, I shall ensure that petitions I receive, right up to the last minute, go to the Post Office and its authorities.

It is not just the people served by the post offices who are protesting and angry about the threatened closures; we have also received tremendous support from our local papers, the *Examiner*, the *Advertiser* and the *Bucks Free Press*. It is not often that the press unite fully behind a mission. It is almost a cross-party issue, because individuals in my constituency, whichever party they represent, have been campaigning to save the post offices. The odd political point is made by some of the other parties, but they have clearly rallied behind the five post offices earmarked for closure.

The closures will result in further decimation of our close-knit communities and put pressure on our rural communities, villages and towns, particularly in Old Amersham. I know that the Post Office has deemed that it must close 2,500 branches, and in some ways I do not blame it, but almost half the post offices in the UK double as shops, as the Minister will know. My constituency is no exception. All the post offices concerned have an associated retail outlet. Over the years, post offices have found, particularly under the Labour Government, that their profitability and the amount of trade they can carry on has been reduced, whether by the BBC's removal of their ability to issue licences or the Government's removal of the facility for people to receive payments through the post office.

There is an iniquity to the whole process. If one post office is saved, another one goes. I have no wish to put other branches in my constituency under threat, but that is the situation in which we find ourselves. Owing to the very nature of the closure programme, communities are pitted against each other, which is quite disturbing.

Mr. David Lidington (Aylesbury) (Con): Does my hon. Friend share my incredulity that the policy that the Government and Post Office management appear to be pursuing applies a formula to determine which post offices should close and which should remain open? A post office might be economically viable and attract many customers, but if it falls outwith the parameters set by the formula in terms of its distance from a certain population, it can nevertheless be chosen for closure, irrespective of the views of its customers.

Mrs. Gillan: My hon. Friend raises an absolutely valid point that I was hoping to come to later. It is incredible that the Post Office can use formulaic deductions to close our post offices without considering what is happening in the community. The Select Committee on Business, Enterprise and Regulatory Reform acknowledged that by saying in a recent report on the network change programme that

> "pure commercial logic cannot be the overriding factor here; the Post Office performs a social function".

If the social function of post offices is recognised, it goes against the grain to use any formula whatever for closing them.

I am not here to discuss the mistreatment of the post office network as a whole, but to defend my post offices in Chesham and Amersham. I have experienced the pain of earlier closure programmes in my constituency. I campaigned outside the Chesham Bois post office and the Holmer Green post office, and the Hyde Heath and White Lion road post offices have closed. I hope that the Minister will take this message back and that the Post Office will hear it loud and clear: I do not want our past failures to keep post offices open to be reflected in the latest round of closures.

The further closure of a third of the network in my constituency will have a profound effect on the area. It will inconvenience local residents who use the post office for personal or business matters and those who will have to travel further afield to use postal services at

[Mrs. Gillan]

other post offices, which will then become stretched beyond capacity. In the very worst cases, some of my local residents will not be able to access post offices at all. I also find it extraordinary that when everybody is so conscious of their carbon footprint and when we are trying to reduce the number of journeys made, the closure programme will increase the number of journeys made by car in my constituency.

I shall start with Chalfont Common post office, which is run by Mrs. Aruna Soni. The post office is one of the most valued services in the area, and to deprive local residents of it seems ludicrous. As well as being situated in an area with a large retired population and a significant amount of social housing in an isolated position up a large hill, it happens to be right next door to a National Society for Epilepsy care facility, whose residents depend wholly on its services. One of the suggested alternatives, Chalfont St. Peter, is 1 mile away and Chalfont St. Giles is 1.9 miles away. Those are wholly impractical alternatives for the people served by the post office. The National Society for Epilepsy facility is home to 120 of my constituents with severe epilepsy. Many of them are wheelchair-bound, and none is allowed to drive, because of their illness. The other day, several residents turned up when I was protesting outside the post office. Many of them have suffered seizures, and so could not use the bus service anyway—were it even adequate—to access a post office. It would be extremely difficult to access that mode of transport.

The area is home to a large number of elderly people, many of whom can no longer drive. The route to Chalfont St. Peter involves an overall descent or climb of more than 120 ft, which includes a 200-yd hill, and negotiation of the A413. That might not represent a challenge to the Minister, or anyone of the younger generation, but it is almost impossible for those older residents. The only bus service—the 355—runs seven times a day, reduced to a mere five times a day for 20 weeks of the year, and there are no seats or shelters at the stops, which makes it wholly unsuitable for frail and elderly people. I hope, therefore, that the post office will remain open, not least so that it can continue to serve people in its immediate vicinity.

Mr. Lidington: Does my hon. Friend share my view that the way in which the Post Office analyses the travelling needs of customers of the sub-post offices it proposes to close leaves a great deal to be desired? Two years ago, when four sub-post offices were closed in Aylesbury, in one case the mostly elderly users were advised to use an alternative that would have required them not only to walk the best part of a mile, but also to cross a railway line on a pedestrian level-crossing, even if they were using wheelchairs or Zimmer frames.

Mrs. Gillan: I am grateful to my hon. Friend, who recalls the case correctly and adds considerably to the point about access difficulties that I am trying to highlight on behalf of my constituents.

The Chalfont Common post office is well equipped to deal with disabled people—it has grip handles on the door, good parking facilities outside and is wheelchair accessible with a doorbell. The service is second to none.

I turn to the post office in Old Amersham, which is run by Mr. Kuhanandan. That area, too, has a large retired population and a significant amount of social housing. I declare an interest, because I live around the corner from the post office and know it well. The older members of the community rely heavily on the post office, which provides not only an excellent social focus for the town, but an invaluable service for people who in many cases simply cannot make the trip to post offices further afield. The post office is located in the heart of the old town and provides a catalyst for many of the surrounding businesses. If it is ripped out of the heart of the old town, those businesses will suffer.

The suggested alternative post office—the one surviving post office in Amersham since the closure of the White Lion road post office—has already been transferred from Sycamore road to the Londis shop on Hill avenue, which is run by Mr. and Mrs. Patel, but even now it is insufficient for the number of people it is supposed to serve. There are long queues and waiting times, and when its catchment area increases, to cover a population of what I calculate is about 28,000 people, the post office will become completely unfeasible for anyone who does not have a couple of hours to spare.

Mr. Lidington: The experience in Aylesbury since four sub-post offices there were closed two years ago is exactly as my hon. Friend fears for her area. The queues at the remaining Crown post office in the centre of the town have increased, and in my experience it is commonplace to queue for a quarter of an hour or more. Some constituents have complained to me that they have to wait for up to 30 minutes for even the most straightforward of transactions.

Mrs. Gillan: That is quite alarming. I certainly believe that if the catchment area of the one remaining post office in Top Amersham increases to cover the size of the population anticipated, there will indeed be many problems.

Furthermore, the journey from the old town to the top town is not only longer than the 0.9 miles the consultation document suggests, but encompasses either an unlit road or an unpaved and unlit footpath through woodlands, both of which are uphill. Such a journey would be wholly unfeasible for many of the town's elderly residents—it might even be unfeasible for me! That needs to be taken firmly into consideration.

Furthermore, the post office serves Amersham hospital, which has development plans, as we all know in Buckinghamshire. My hon. and learned Friend the Member for Beaconsfield and my hon. Friends the Members for Aylesbury (Mr. Lidington) and for Wycombe and I, have often hunted as a pack in this Chamber on health matters. I believe that Amersham hospital wants to become a foundation trust and to increase out-patient numbers, which means that there will be increased footfall in the old town, and of course my hospital in Chalfont St. Peter is now faced with closure, so it looks as though there will be more patients in Amersham hospital, which is a mere stone's throw from the post office.

Old Amersham is charming, and I invite the Minister to visit my constituency—purely for leisure purposes of course. The town is a gem—all Buckinghamshire Members have them—with some of the most beautiful and well preserved 16th and 17th-century buildings. Tourism is an important part of life in Amersham; people visit our excellent museum and the old town hall, and come to shop in the town. The small independent retailers are a key part of the old town's quaint charm, to which the post office is crucial. It is a useful service, and if it is ripped out of the heart of the old town, the whole town will suffer.

I turn to Waterside and Mr. and Mrs. Patel. Waterside is a small but very friendly post office in the most deprived fifth of the Chiltern area, which includes a large hinterland of social housing. I have heard from a number of residents who do not have their own transport. They find the post office's location crucial to their lives. It lies just outside Chesham town centre and unclogs the Chesham post office, which already has a large number of customers—my hon. Friend the Member for Aylesbury is nodding in agreement. Waterside post office acts almost as an overflow or relief valve for the main post office in Chesham, where queues and long delays are often reported through no fault of the postmaster or postmistress, but because the facility is so popular in my area.

The local business community, including industrial complexes, lies in the post office's hinterland and often uses the post office to send packages—I have stood and watched people do it. They will be inconvenienced by a drive into Chesham, which is often quite blocked with traffic, because it is so popular. The Waterside facility relieves the town centre of blockages caused by too much traffic going through it. It is also registered as a newsagent in the consultation document, but is actually more like a general store. Mr. and Mrs. Patel expect to lose half their income as a result of the post office closure, which would put the shop under threat, and would be a great loss to one of my constituency's deprived areas.

Another post office in my area is in Botley stores. It is run by Mr. Thuraisingham, and when I visited it some of my constituents were very vocal in their support. The furthest alternatives are Chesham, at 1.7 miles, and Great Hivings, at 2.4 miles, to which there is no direct bus service. As I have said already, Chesham is overloaded, and if traffic is forced back into the town, owing not least to the need to travel up and down the hills in the area by car, congestion and the damage to the environment will increase.

I received a particularly sad note from a constituent of mine, Mr. Walker, who at 85 has a dodgy ankle, and whose wife has had a hip replacement. He said of the Chesham post office:

> "It will be crippling to stand in that queue. You are lucky if you get out of that place in half an hour".

That is because the post office is so popular; and the Botley stores post office provides it with some relief.

Hilly terrain, a large retired population and a shop under threat—is that not a common theme running through all the closures? It is a crying shame that the fabric that makes up our communities is being deconstructed.

My last store is in the middle of a shopping parade in Hazlemere. Closure may affect the business of the shop, which is surrounded by other businesses and they would certainly be inconvenienced. The bus service to Park parade is spasmodic, if not non-existent. I see that the Minister's eyes are glazing over; he must have heard all this before, but it is a plea from the heart about a constituency that will be badly damaged.

The Minister for Energy (Malcolm Wicks): I assure the hon. Lady that my eyes were not glazing over—I understand the importance of local community. I was simply reflecting on the fact that the trend toward post office closure is not new. Considerable numbers were closed before 1997, but she has not talked about the reasons for that. To suggest that it is a feature only of this Government is misleading.

Mrs. Gillan: I believe that 8,000 post offices have closed since 1979, but that 5,000 of them have closed since 1997, so the trend has been showing an increase. In my constituency, there has been a constant drip-effect from post offices being taken away from our communities.

I shall speak on behalf of my hon. Friend the Member for Wycombe for a moment. We have applied for this debate every week since the embargo was lifted, but we were unsuccessful until this eleventh hour. We are grateful for the debate, but my hon. Friend is on a plane, so he is physically incapable of being here. I pass on his apologies. However, I kindly offered to make some points on his behalf. He will suffer the closure of two post offices, one of which is the Desborough road branch in the Abbey ward of Wycombe. One of the three super output areas in that ward is ranked among the most deprived 10 per cent. in the country in terms of income deprivation for older people. That must mark the post office out as one that needs saving.

My hon. Friend was extremely surprised that the Post Office relied on him to notify it of the deprivation data for wards in which post offices are closing, rather than doing the research itself. That is a disturbing development, and I think something similar has happened in my area, for which the Post Office does not seem to have made a report—it might be suffering from closure fatigue. Dare I suggest that its investigation into each and every branch has lost a little momentum as time has passed?

My hon. Friend would like to know how older and disabled people will reach alternative post offices in High Wycombe if his two post offices close, given that in both cases the nearest post office is more than half a mile away, and that High Wycombe has the hilly topography shared by all of us in the south Chilterns. In both cases, if customers from the closing post offices were to move to the two alternative post offices, they could have between 30 and 40 per cent. more customers a week, but there are currently no plans for additional positions at those post offices, so the rise would inevitably cause long queues.

In summary, the Minister must realise that our local communities are being broken up by the Government. The post office network provides a valuable service to some of the most vulnerable people in all our constituencies, which is why each closure must be examined in detail and why a reprieve must be handed out to the cases that merit it. Indeed, there is merit to many of my post offices remaining open because of the people they serve and the service they provide.

For many residents in the villages in my area, at least the possibility exists of hopping into a car and using an alternative branch, but what message does that give when we are supposed to be using our cars less and

[Mrs. Gillan]

minimising our carbon footprint? However, those are not the people I am particularly worried about; I am worried about those who will not be able to hop into a car. The Minister would find a surprising number of such people if he made a detailed study of each of my post offices. If public transport were better developed, I would have less of a case, but the public transport systems in south Buckinghamshire are weak, and we do not have the luxury of an integrated transport system that would comfortably connect up the remaining post offices. I shall be left with 10 post offices; five of the 15 in my constituency are closing under the formula that my hon. Friend the Member for Aylesbury mentioned. That formula is being used without much thought.

I think I have made my case. I know that it is a familiar one, but it is none the less heartfelt by my community and me. I received an e-mail from a constituent that broke my heart. It said:

> "You have closed the main post office in Amersham on the Hill for post office services…you have closed the sub-post office in Chesham Bois, which has resulted in the loss of the general store in the village…you have done the same in Hyde Heath and you say you are now considering the closures of the others… The one thing I do know about the service here is that there is no service and that the customers, especially the elderly and the infirm, are irrelevant to you. In my working life, I never enjoyed the luxury of setting price increases without making economies, but not at the expense of the service I gave. Had my service gone down, I would have gone out of business. This is a service that is going down in our communities, and we need to fight for it."

His final sentence is poignant:

> "I see that your title"—

the email was sent to the Post Office—

> "is that of Network Development Manager. What, pray, are you developing?"

I hope that the Minister will reply to the debate and take the points from me, my constituents, my newspapers and my postmasters and postmistresses back to the Department and tell it that we would like a reprieve for all our post offices in Chesham and Amersham.

9.57 am

Mr. Dominic Grieve (Beaconsfield) (Con): It is a pleasure to follow my hon. Friend the Member for Chesham and Amersham (Mrs. Gillan). I thank her and congratulate her on securing the debate.

I have the misfortune of having more proposed post office closures in my constituency than any other Buckinghamshire MP—no fewer than seven. They are the Denham Garden Village, Farnham Royal and Loudwater branches, the Old Town post office in Beaconsfield, the Oxford road post office in Denham, the Parade in Bourne End, and a branch in Wycombe lane, which is the road between Wooburn and Loudwater. The number of proposed changes contrasts with the earlier round in which my constituency seemed to escape lightly. Perhaps that is why this is now being inflicted on us.

There has been quite a movement to preserve local post offices and stores in my constituency over the years. In one case, in Hedgerley, which, mercifully, is not on the list, there was a long battle to preserve a post office when the old post office building was shut down. That was done by putting in a portakabin and reopening the post office at a new site, which proved very successful. There was a great deal of local support for that.

The area that I represent is very wealthy. It is often commented on that the wealth indicators for south Buckinghamshire rank it as one of the two or three wealthiest constituencies in the United Kingdom. One area, Gerrards Cross, is without doubt the wealthiest place, per capita, in the UK—both in its north and south wards. As the Minister will understand, however, no one is more disadvantaged than those who are poor in a wealthy area. My hon. Friend touched on that when she pointed out that our area has one of the highest rates in the UK of car ownership per household, at 2.6 cars per household, and that, for those who do not have cars, access to public transport is almost nil.

Notwithstanding the wealth, there are plenty of pockets of clearly identifiable deprivation in my constituency, where either those who are on low incomes or the elderly—and sometimes the two combined—live. When one looks at the list of proposed closures, it is noteworthy that, with perhaps one exception, each and every one can be properly defined without exaggeration as situated in an area with a relatively high presence of low-income families. I do not know whether that is just an accident or whether it correlates with the way in which the Post Office has carried out its survey, but the correlation is absolutely clear.

I shall give the Minister a couple of examples. Denham Garden Village, as the name implies, is a residential area that has been set aside for elderly people in Denham. It used to be a Licensed Victuallers national home, but it has been taken over by a housing trust for the elderly, Anchor Denham. The post office is located in the middle of the complex and attracts a range of users. Admittedly, some residents may have gone to live there with some capital assets, but many residents have few. It is clear that mobility is a serious issue, and the post office, as part of the village centre within that area for the elderly, is of particular value.

Farnham Royal, on the edge of my constituency near Slough, is an area with clearly identifiable indices of deprivation, as, indeed, are parts of Denham parade on Oxford road in Denham. Wycombe lane post office also caters for a very mixed area, and when one comes to old town Beaconsfield, to which I shall return in a moment, other considerations come into play. The first thing that I note when I look at the list is that in those places, the post office appears to serve the local community well.

I wrote to the postmasters in my constituency about the matter, but, because of the debate's short notice, I am afraid that some of them have not been able to reply. However, I thought that one was particularly worth quoting, as the author asked for anonymity. She did so, because, she said:

> "We are in a difficult position, having been instructed by our 'Internal Area Manager', not to discuss the proposed closures with the Press",

which I find absolutely scandalous and totally pointless. She went on to say:

> "However, your letter says you have heard…that this branch is scheduled to close and you request our views on the proposals."

They were then supplied. The post office is situated in the middle of the village; it has been there for at least 50 years; it is the hub of village life; it has a pedestrian crossing immediately in front of the premises; there is parking nearby; it is much used by elderly and disabled customers; the alternative post office does not have those facilities; and there are three sheltered housing sites within easy reach.

Another post office that I mentioned a moment ago was the one in old town Beaconsfield. There is always a tendency for MPs to pontificate on places in their constituency to which they may be—in truth, because constituencies are big places—only occasional visitors, but, as it happens, the post office in old town Beaconsfield is situated next door to my Beaconsfield office. I go to it frequently, it is a one-stop shop, I post my letters there and I buy things there. It is a busy post office, there are frequently queues for the counter and my impression is that it provides a valuable local service. Although Beaconsfield is in part very wealthy, 30 per cent. of its housing is social housing, and much of that is located in the older part of the town.

I have before me the distances from post office to post office, and closure would mean that people would have to walk 0.7 miles to the new town office, which is along a lengthy road. The alternative is Holtspur post office, which is 1.25 miles away and would involve a not very pleasant walk along the A40—out of town completely. I am not even sure that there is continuous pavement along the road's full length. The old town post office mainly serves the area to the south, and the distances from individuals' homes to the other offices would consistently exceed 1 mile. I am quite satisfied about that from my knowledge of the area, and, as I said to the Minister, many people who use the old town one-stop community shop in Aylesbury End are very elderly. There is an Abbeyfield Society home situated about 500 yd to the south, most of whose residents are more than 90 years old, and, if they go out into old town Beaconsfield, they will use the post office. I meet some of them there.

I noted the Minister's intervention on my hon. Friend when he said that post office closures have been going on for a long time. They were initiated under previous Governments—although the closures have greatly accelerated in the past 10 years—and I am the first to accept that the Government and the Post Office have to respond to social changes in the use of post offices. However, I must say that from the way in which the list has suddenly been magicked up, and from the criteria that have been applied, I really wonder whether there has been an adequate analysis of each post office's viability.

The Wycombe lane post office postmaster, Mr. King, has accepted closure, but it is worth reading out his letter. He wrote:

> "In May 1997, the Labour Government inherited a Post Office that was profitable and since then they have done a great deal to make it unprofitable…It is my sincere opinion that after this round of closures there will be yet another. With this in mind, I believe the best option for me is to accept this planned closure with its package, which will enable me to take a little time to plan my future."

He goes on to make the point that there is another post office, which—I have to accept—is not too far away.

It is invidious to leave any post offices out, but I have to draw up a priority list, and in respect of Denham Garden Village, Bourne End and Beaconsfield post offices, I find the criteria inexplicable. Demand and use will continue, and no one has suggested to me that the postmasters feel that they are at the end of the road in terms of their ability to make a profit from the facilities. The process has simply not been properly thought through. I hope that we can use today's debate to obtain some greater clarity from the Minister and send out a message to the Post Office that if it wishes the post offices to be used, it has to show that it values them as much as the communities do. I have absolutely no doubt that they value them a great deal.

Mrs. Gillan: We can make so many points about the closures, but one post office operator in my constituency made the particular point that the closure of the Amersham old town post office would leave three people unemployed and the postmaster with an unexpired lease of about £5,000 a year. The loss of employment in those small areas, where the post offices provide jobs for people, is an enormous problem. Where will they go?

Mr. Grieve: I entirely agree. When I consulted the Bourne End post office, it was explained to me that there are four part-time staff. I have visited that post office, and I suspect that those people would have great difficulty finding other employment. Many are not young, and, in many ways, they work at the post office because it is part of the community. The pleasure that they get from working at the post office correlates to the number of people who go in and out of it. So I agree entirely.

I want to bring my remarks to a close by saying to the Minister—at the risk of repeating myself—that I accept that sometimes difficult decisions must be taken but I worry about this process. There is no confidence in the consultation that is taking place and there is a perception that these decisions about closures are a foregone conclusion. The evidence of my own eyes suggests to me that some of these post offices due for closure are viable, have a good future and could continue providing a really good service to the local community and making a profit for the Post Office itself.

10.10 am

Mr. Mark Lancaster (North-East Milton Keynes) (Con): I congratulate my hon. Friend the Member for Chesham and Amersham (Mrs. Gillan) on securing this very timely and valuable debate.

I should like to pick up on a couple of points that my hon. and learned Friend the Member for Beaconsfield (Mr. Grieve) made during his very passionate speech. The first point was about the postmasters of local branches being told that they should not communicate with the press. In fact, it is even worse than that, because two of my local postmasters have told me that it has been made very clear to them that if they should campaign or contact the local press in any way their compensation package from the Post Office would be changed, which I think is an absolute outrage. I would like the Minister to respond to that point when he winds up the debate.

The second point that my hon. and learned Friend made was that he felt that this list of post offices had been "magicked up". I would go one step further and say that the complete list is a sham and that there has been no great analysis involved in its production. I say that because last November, some eight months before the publication of our area consultation, the Post Office inadvertently published the list of the post offices in my

[Mr. Mark Lancaster]

constituency that were due to be closed. They did that because during the previous consultation, for Northamptonshire and counties further to the north, the Post Office published a map and simply chose to "grey out" the north Buckinghamshire-Milton Keynes area, but failed to obliterate the small red crosses on the post offices that had already been identified as long ago as last November as the branches that it wanted to close. Therefore, the idea that due process has been followed in trying to identify which post offices in my constituency need to be closed, given that eight months ago that map was published, is an equal outrage.

I am pleased to say that I cannot compete with my hon. and learned Friend the Member for Beaconsfield for the number of post offices in our constituencies that are due to close. Only four are due to be closed in my constituency, although six are due to be closed in Milton Keynes. When people think of Milton Keynes, they probably think of an urban area, although my constituency is two-thirds rural and one-third urban. Of the four post offices in my constituency due to be closed, two are in the rural area and two in the urban area.

However, the overwhelming feeling in Milton Keynes is a complete lack of belief in the Government, because at a time when they are forcing our city to expand they seem to be forcing our post office network to contract. People in Milton Keynes simply do not understand that.

I intend to be brief, but I shall begin by discussing the two post offices in my rural area. The first is in Little Brickhill, in the south of my constituency, just a few miles north of Buckingham. I went to a protest meeting about three or four weeks ago and literally the whole village turned out in the village hall. There is absolute outrage at the prospect that the last facility in the village—the last village shop—is going to be closed. Yes, the post office has a relatively small number of attendees each week, but it provides the complete economic and social heart of Little Brickhill. The nearest post office that people in the village will be able to go to is in Bletchley, about two miles away. However, the Bletchley main post office will also have to accommodate the closures of branches in the constituency of the hon. Member for Milton Keynes, South-West (Dr. Starkey), who has chosen not to attend this debate today. So it will have to accommodate the customers of four post offices and there is great concern about whether it will be able to do so.

The other rural post office in my constituency that is due for closure is Weston Underwood, which is in the north of my constituency. I intend to attend a protest meeting that will be held in Weston Underwood this Wednesday and it is a shame that nobody from the Post Office will be able to attend it, because if they were able to do so they would understand the strength of feeling there. The Weston Underwood branch is the last of a group of rural post offices in that area that remains open and it also provides the financial heart of that small community. The nearest post office that people in Weston Underwood will be able to attend is in Olney, the town that I live in, but that is about two miles away and there is a very infrequent bus service between the two.

It is absolutely right that when we talk about the nearest post offices to those being closed, we also bear in mind that it is not simply the distance between the two post offices that people have to travel. Invariably, people have had to travel some distance in the first place to get to the post office that is due to close. So we are not talking about a one-mile journey; we are perhaps talking about a four-mile journey becoming a five or six-mile journey. All too often, rural buses only run to these centres of population, so it is not actually that straightforward simply to add an extra mile to the journey.

From a pure numbers point of view, the two most significant branch closures in my constituency are in the heart of Milton Keynes. The first branch is in the grid square of Conniburrow, just to the north of the city centre. It currently accommodates about 1,500 people per week who carry out transactions and it serves a population of about 20,000 people. About 15 per cent. of people attending that branch are elderly and it provides an incredibly valuable service. I went to a protest meeting in the area last Friday and the turnout was very impressive.

The problem in Conniburrow is that there is no bus service to the alternative post office that has been proposed, Crown Walk in central Milton Keynes. The Crown Walk office is only 0.9 miles away. However, owing to the nature of Milton Keynes, which includes a very impressive grid road system but also lots of overpasses and underpasses, it is impossible to get to the Crown Walk office by road, because there is no bus service, and if people were to walk, although the distance may be 0.9 miles as the crow flies, it is considerably further by the time they have gone up and down 46 steps, left and right, and through the underpasses. There is great concern that the Crown Walk post office is simply inaccessible to those currently using the Conniburrow branch.

The final post office in my constituency that is set to close is in Fishermead, which is one of the most deprived estates in south-east England. It is a tremendous estate, but the post office really is the heart of that community. I attended a meeting in the area last Friday and there are many vulnerable residents there who also feel very strongly that access to Crown Walk will be almost impossible, because of the nature of the road layout of Milton Keynes. There is a bus service to Crown Walk, but it is infrequent.

One of the principal concerns that people in Milton Keynes have is that the alternative post office that is being proposed, the main office at Crown Walk, is already used by some 8,000 people each week. Effectively, that number will have to increase to some 13,000 people a week. Last Friday, I went to see the Crown Walk branch for myself and the queue of people was already stretching out of the door. People were talking about experiencing waits of between 30 and 40 minutes at the moment, so I simply do not understand how that branch will cope when the customers from two major post offices in neighbouring grid squares are also trying to use it.

For the reasons that I pointed out at the start of my speech, it is absolutely right to say that this whole consultation has been a sham, not least because of the advance publication of information on the post offices in my constituency that were going to close. The Minister really needs to stop and think again about the way that the Government have been proceeding with this consultation.

10.17 am

Lorely Burt (Solihull) (LD): I congratulate the hon. Member for Chesham and Amersham (Mrs. Gillan) on securing this debate. There are hon. Members all over the country who are desperate to secure a similar type of debate, so she has done extremely well to secure this one.

I have huge sympathy for everyone in the whole of Buckinghamshire who is affected by post office closures. It is a process of consultation which I might choose to put in inverted commas if I were writing the *Hansard* report of this debate. It is happening all over the country. Indeed, at present three post offices in my constituency are due to be closed.

A total of 5,500 post offices have closed since this Government came to power, which amounts to 29 per cent. of the entire network. However, it must be said that at least this Government have subsidised the network to date to the tune of £2 billion and they intend to provide more subsidy. By contrast, under the previous Conservative Government more than 3,000 branches were closed and my understanding is that there was no subsidy for them.

Mrs. Gillan: I believe that for a large part of the time under the Conservative Government the Post Office actually made a profit, and I speak advisedly and declare an interest, because my husband was a civil servant in the Department of Trade and Industry who was responsible for the Post Office at the time.

Lorely Burt: I am grateful to the hon. Lady for that intervention.

The hon. Lady spoke eloquently about vulnerable people and their reliance on the post office. I wonder whether it might be helpful to quote some statistics sent to me by my local Shirley citizens advice bureau. One thousand visitors to its website were surveyed. They commented that a six-week consultation was too short for the most vulnerable people to be included. The survey revealed that more than 90 per cent. would be personally affected if their post office closed, and that three quarters of those respondents would be significantly affected.

Three quarters of the respondents could get to their local post office on foot. However, if their nearest post office were to close, only 14 per cent. would be able to do so. Also, if vulnerable people—those on benefits, for example—had to take public transport, they would have to find an additional amount of money somewhere. More than 60 per cent. of the over-75s use the post office to pay their bills. The survey illustrates what the hon. Lady and the hon. and learned Member for Beaconsfield (Mr. Grieve) and the hon. Member for North-East Milton Keynes (Mr. Lancaster) said about the closures being a country-wide problem.

The hon. Member for Chesham and Amersham spoke about access and hills. In my constituency, the problem is exactly the opposite in the case of the Olton Hollow post office. It is situated in a hollow, and accessing either of the two alternative post offices would involve a huge climb.

The hon. Lady spoke about serving commercial communities, including large communities such as Amersham hospital. The Catherine de Barnes post office, which is a little post office in my constituency, is convenient for people to stop at on their way to or from the national exhibition centre and the airport, both of which are also situated in my constituency. No thought seems to have been given to where those people will go to access a post office, should that one not be available to them.

All the speakers this morning spoke about the queues that are already prevalent in the next existing post office. When I took a petition around to 35 local shops in Shirley, the shopkeepers said, "Please don't make us go to the Stratford Road post office," which is the alternative to the Haslucks Green Road post office. They said that waiting there could take 35 or 40 minutes, and that as local businesses they just did not have the time to do that. So although there was another post office closer, they were not using it.

Mr. Bill Olner (in the Chair): Order. I remind the hon. Lady that the debate is about post office closures in Buckinghamshire. I do not think that Shirley is anywhere near Buckinghamshire.

Lorely Burt: Thank you, Mr. Olner. I beg your pardon. I was carried away by my enthusiasm for my own area, in which I am so ensconced at present. I will try not to do that.

The hon. and learned Member for Beaconsfield spoke about deprivation in areas that are considered to be wealthy. For many elderly people, having money does not make any difference. Often, they do not have access to transport, but they still need to get out; they still need to have a social life. I do not believe that there is a direct correlation between needing a post office and the amount of money that one has. Coming from a similar supposedly wealthy constituency, I have a huge amount of sympathy with him.

The hon. and learned Gentleman mentioned the sub-postmistress who informed him that she had been told not to speak to the press. A similar situation exists if a post office is in premises owned by another organisation such as, for example, the Co-op. We were not allowed to run a petition in one of my post offices but had to stay outside and collect our signatures in the rain.

The hon. Member for North-East Milton Keynes asked whether the closures were a foregone conclusion and questioned the process. He was right to do so, because we are not allowed under any circumstances to obtain trading figures. We are allowed to know the footfall but a shroud of secrecy has been drawn over the economic situation of every post office, in the interests—so say the Government—of commercial confidentiality. But how are we to know which post offices are viable and which are not if we do not have access to such information?

People say, "Just because you're paranoid, it doesn't mean they're not out to get you," but I wonder whether there is some kind of conspiracy. Are the Government closing post offices that may, indeed, be more profitable

[Lorely Burt]

than others, eventually to obtain an even slimmer post office network? Instead of 11,000 post offices, are they actually aiming for closer to the 7,500 that are needed to meet their access criteria? If they were to close the more profitable post offices, those that would be left would struggle even more.

In conclusion, the Government say that they want a sustainable network, but I do not understand how they propose to achieve one if services are withdrawn, if things such as the Post Office card account are under threat and if the Post Office has to re-tender for its own services. By making queues longer, the Government are ensuring that footfall away from post offices will increase: physically attending a post office will become less and less feasible, thereby making it even more difficult to get to a post office. All those things are conspiring to decimate our post office network and to make it less, not more, sustainable. I am sorry to say that this Government, even though they do not let us know the price of everything, do not seem to understand the value of the post office network.

10.28 am

Charles Hendry (Wealden) (Con): I congratulate my hon. Friend the Member for Chesham and Amersham (Mrs. Gillan) on securing this debate, and on her determination to hold it before the House rises for the summer. I also congratulate my hon. and learned Friend the Member for Beaconsfield (Mr. Grieve) and my hon. Friend the Member for North-East Milton Keynes (Mr. Lancaster) on speaking so eloquently about the issues in their constituencies.

The only note of concern is that the hon. Member for Solihull (Lorely Burt) seems to believe that Buckinghamshire is somewhere in the west midlands, given the names and locations that she mentioned. It is fortunate that you are here, Mr. Olner. With your personal experience of the west midlands, you were able to put that right.

We have had an important debate, and I entirely understand why my hon. and learned and hon. Friends are so concerned about what is happening in their constituencies. We heard from my hon. Friend the Member for Chesham and Amersham that one third of her post office network is closing, and from my hon. and learned Friend the Member for Beaconsfield that almost the same proportion—30 per cent.—of the post offices in his constituency are closing. That is about twice the national average, so I entirely understand why they felt that the matter needed to be raised in the House before we break for the summer. It is a devastating blow. Indeed, as my hon. Friend the Member for Chesham and Amersham said, the closures result in the decimation of communities which, all too often, lose not just the post office but the shop that is also such a vital part of the local community.

The Minister intervened, saying that this process had been going on for some time. Post office closures have been going on for some time, but the rate of closure since 1997 is three times higher than before 1997, in the 18 years of Conservative government. As my hon. Friends have said, back then post offices were making a profit: they only went into loss in 1999 and, until that point, the network was making a profit. At that time, people were closing their post offices if they could not find anybody to take them on; they were closing because people were choosing to retire. This is the first time that a Government are saying, "You must close" and ordering people to close post offices. In spite of the huge amount of public support and sympathy for particular post offices in the network, post offices may not stay open once that decision has been made and confirmed. So there is a fundamental difference now and, because of the way in which the closures are being driven forward, this is a devastating blow to our post office network.

My hon. and learned Friend the Member for Beaconsfield and my hon. Friend the Member for North-East Milton Keynes raised concerns about what they described as the gag on postmasters talking publicly about the closure programmes. There has been some misunderstanding about this. Certainly, postmasters are asked to keep closures confidential before they are announced, but there is no gag on their speaking out publicly afterwards. Indeed, when this matter was raised with me recently, I wrote to Alan Cook, the chief executive of the Post Office, and he said:

> "I can unequivocally reassure you that all sub-postmasters will be compensated for closure regardless of the stance they take towards the closure of their particular office."

So there is no doubt—the Minister responsible for post offices has said it in the main Chamber and the chief executive of the Post Office has said so—that once the closures are public, postmasters are free to campaign to keep their post offices open, because anything else would be an intolerable infringement of their liberties and their freedom to campaign as they would wish.

The problem, as has eloquently been set out in this debate, is that there is deep dissatisfaction about the consultation process. The Cabinet Office guidelines say that consultations of this nature should take 12 weeks, but we have been given only six weeks—that happens sometimes over holiday periods, in the run-up to Christmas or over the Christmas period—and people have not had the chance to campaign against proposed closures as effectively as they would wish. Having seen what has happened elsewhere in the country, people feel that the odds are stacked against them. I understand why sub-postmasters and sub-postmistresses in Buckinghamshire will feel that, however hard they campaign and however strong a case they put forward, a decision has been made somewhere and there is nothing that they can do to get it overturned.

The process has been deeply flawed. The access criteria have been rightly criticised. My hon. Friends have highlighted some of the failings in the process. Essentially, somebody has put a pair of compasses on a map and drawn a circle around individual post offices. Proposals for closure have been made in respect of those post offices that can most readily be taken out of the network while keeping the best geographical spread. However, that takes no account of profitability or viability and it is leading to some perverse decisions. For example, no account is taken of whether the roads are straight. I know Buckinghamshire relatively well. The roads from village to village do not go as the crow flies, but meander through valleys and woods, and there is a range of longer roads. Nevertheless, the map will show that the distance is three miles from the nearest post office. However, if one takes that route—there almost certainly is no bus—one finds that the road journey could be twice as far, making it much more difficult. My hon. and learned Friend the Member for Beaconsfield spoke about the lack of public transport and the impact on people who are less well off in wealthy areas. That is a very valid point.

The access criteria take no account of future growth. So the houses that are being imposed right across south-east England by this Government—I always find it slightly bizarre that Buckinghamshire is in the south-east of England, but there it is; it is certainly not in the west midlands—are not being taken into account in the closure programme. It would be much more sensible if future housing growth were taken into account.

As my hon. Friend the Member for Chesham and Amersham said, the process that has been adopted sets community against community. If any one of the post offices that have been mentioned this morning is saved, another one will be added to the list for closure. So this is not a way of saving important, much-loved post offices: we know that if one is saved, another one elsewhere will be put into that process.

Mrs. Gillan: Will my hon. Friend give me the benefit of his experience of speaking on this matter from our party's Front Bench? I asked the Post Office how much it would save from the closure of each of the branches in my constituency and I received vastly different figures for each post office. I understand that 10,000 of the 14,000 existing branches around the country lose money. Therefore if this were a cost-saving exercise, hon. Members might think that at least some logic would be applied to the closures, taking into account the savings that the Post Office would achieve from the closure of each branch. However, not even that has been brought to bear on the situation. Does my hon. Friend have any experience of such illogicality in other parts of the country in respect of the premise that the Post Office is using for the closures?

Charles Hendry: My hon. Friend makes an extremely valid and important point. When the proposals for closures were being set out, the Minister responsible talked about some post offices only having a few customers a week, the assumption being that those were the ones that would be closed. In fact, those post offices are in some of the most remote areas and they are being kept open, rightly, to serve remote areas. However, as a consequence, often the busier, profitable post offices are being closed. Alan Cook, when giving evidence to the Business, Enterprise and Regulatory Reform Committee, admitted that some profitable post offices are included in the list of proposed closures. It is incomprehensible how one can make a network more profitable, or less unprofitable, by closing the elements that make money. That shows the flaw in the process.

We should be looking at not only how the Post Office can have its decline managed, but how we can make it relevant and provide a service that is right for these years and this century. We should be looking to develop the network, freeing it up to work with other carriers, rather than just the Royal Mail—carriers such as UPS, FedEx and others, which pass the doors of post offices day after day, unsuccessfully trying to deliver packages, trundling back for miles to their depots and coming out again the next day. It would be much more sensible if the post office network could be a hub for all those sorts of services.

The post offices should be a centre for more financial services, as the National Federation of SubPostmasters is calling for, and they should be more of a hub for Government services than is currently the case. We would undoubtedly continue to provide subsidies to the Post Office network—we have said that clearly—but, by bringing more business into the network, we would be able to sustain many more post offices than under the proposals made in the Government's current programme.

We are also finding that unfair restrictions are being put on those businesses that are being closed down. This will be the next stage about which there will be concern, as my hon. Friends will find in Buckinghamshire. Once a post office has been taken out of the shop, the Post Office will determine what other services can be offered in that business. For example, the shop will be told that it cannot have a national lottery outlet. There is an agreement between the national lottery and the Post Office about how many post offices may have national lottery outlets, so many have been told up until now that they may not have a national lottery outlet; but bizarrely, when they lose the post office from their premises the Post Office will tell them that they still may not have a national lottery outlet because now the shop does not have a post office in it.

Lorely Burt: Is the hon. Gentleman also aware that where a post office is being closed down, if it elects to retain an existing national lottery facility, the compensation received by that post office will be diminished?

Charles Hendry: The hon. Lady is right: it can be diminished significantly—by thousands of pounds. When people find that retirement is being forced on them by the loss of a post office, and that the rest of their business is essentially being ripped away from them, they feel very angry indeed. The same applies in respect of phone top-ups, a service offered through post offices, when, as part of the compensation package, people are told that their business may no longer offer telephone top-ups. Some people also wish to work with PayPoint, but they are told that their compensation will be put at risk if they do so.

I can understand that the Post Office may wish to determine where we can buy our stamps, post letters and get foreign currency through the post office network, but it is unacceptable that it is seeking, in this process, to determine where we can buy a loaf of bread or a pint of milk as well, because with such determinations it is driving the closure not just of the post office, but of the business in which it is based.

Finally, the elephant in the room in this debate is the future of the Post Office card account. It is disappointing that we have not had a statement from the Department for Work and Pensions before the House rises for the summer about the contract for the Post Office card account. This is causing massive concern. If it were to go to anybody other than the Post Office, it would lead to thousands more closures. The National Federation of SubPostmasters reckons that it would lead to 3,000 more closures—an even bigger round of closures than we are seeing in the current round. The Government owed it to the House, and to the postmasters and

[Charles Hendry]

postmistresses in worried communities throughout the country, to bring forward the decision to as soon as possible, instead of delaying it until some time during the summer recess, hoping that on a hot August day no one will notice what happens. This is a matter of the greatest concern, and could lead to a further decimation of our network.

Ultimately, the blame for the programme does not lie with the Post Office. The Post Office is doing the Government's bidding. The Government have set the funding package; the Government have determined the number of post offices that must close; and the Government have determined the access criteria and allowed intolerable burdens to be put on the future business activities of those shops. The Government's own Members have been unwilling to try to stop the programme, although they were given the chance and campaigned in their own constituencies to keep post offices open. It is a devastating chapter in this Government's history and it will haunt them for many years to come.

10.41 am

The Minister for Energy (Malcolm Wicks): I congratulate, as others have done, the hon. Member for Chesham and Amersham (Mrs. Gillan) on securing this debate on post office closures in Buckinghamshire. I shall stick to the terms of the debate, which is Buckinghamshire, otherwise I would have been happy to follow the precedent set by other hon. Members and give a scenic description of my constituency of Croydon, North, but I know that you would rule me out of order, Mr. Olner. The hon. Lady spoke eloquently and passionately about the effects of post office closures on residents in her county. She also spoke on behalf of the hon. Member for Wycombe (Mr. Goodman), and I take heed of that.

The hon. and learned Member for Beaconsfield (Mr. Grieve) spoke with equal passion about the sheer riches and wealth of his constituency and the extraordinary car ownership per household. I wondered where his comments were going, and thought at one stage that he might present a three-point action plan to make it the richest constituency, but he turned the coin and properly noted that even the wealthiest constituencies have pockets of relative deprivation. I listened to his statement about that. The hon. Member for North-East Milton Keynes (Mr. Lancaster) represented his constituents' interests well, and we had two speeches from the Opposition Front Benches.

I should say at the outset that my hon. Friend the Minister for Employment Relations and Postal Affairs is unable to be here today, and I thank the hon. Lady for her welcome, if that is what it was, to my engaging in this debate on his behalf. My hon. Friend has no role in the detailed decisions to close or retain individual post offices, which is rightly a matter for Post Office Ltd, after local consultation involving Postwatch, local people and, of course, MPs and other representatives.

The post office closures in Buckinghamshire are part of a wider programme announced by the then Secretary of State for the Department of Trade and Industry in May 2007. Under the network change programme, up to 2,500 post offices will close, taking the network to around 11,500 branches, which will be a considerable network and equal to the country's bank branches. In addition, some 500 new outreach services will be established, and some are relevant to the issues that have been discussed in Buckinghamshire. There will be a roughly similar number of closures in urban and rural areas.

Let us recognise the reasons for the programme: the falling volumes and mounting losses. The background is important, and the programme of a substantial number of post office closures has given rise to much concern and protest, including in my constituency. The network faces significant challenges. We, as serious parliamentarians, must recognise that and consider the consequences. It is losing around £500,000 a day, it has 4 million fewer customers a week than just three years ago, and three out of four post offices run at a loss to Post Office Ltd. If the Post Office were run as a commercial network, there would probably be only about 4,000 branches. Some very rural branches have so few customers that the cost per transaction is £17. Those are serious trends that serious people must address.

Many services that have traditionally been conducted over post office counters are now transacted by other means.

Charles Hendry: The Minister is being helpful, and I hesitate to intervene as this is not his brief, but will he explain how it is sensible to close profitable post offices? How does that make the post office network less unprofitable?

Malcolm Wicks: I shall come to the issue of profitability.

Many services that have traditionally been conducted over post office counters are now transacted by other means. On pensioners and elderly people, I recall my time as the Minister for Pensions when Post Office card accounts were introduced, and I shall come to that later. Eight out of 10 pensioners have their pensions paid directly into a bank or building society. Among new retirees, the figure is nine out of 10. I suspect that when hon. Members in the Chamber draw their pensions, they will do so not through the Post Office, but in the way that they are used to for their salaries. As I said, nine out of 10 newer pensioners do not use the post office. Most people have their salaries paid directly into a bank, so it is hardly surprising that that is the trend. One million people a month now renew their car tax online, but last year that figure was only 500,000. Most people use the internet in one way or another, and that cannot be uninvented. The Post Office faces competition from companies such as PayPoint, which won the contract for the TV licence, a decision that was taken by the BBC, not by the Government.

Those changes reflect the way we live. To do nothing in the face of such challenges was not an option—I alluded to that during an intervention—and we are talking about long-term trends. Between 1979 and 1997, some 3,500 post offices closed, but on a random and unmanaged basis. We are trying to put some organisation into that. To be fair, Opposition Members should address the long-term decline of our post office branches for social, economic and internet reasons. Instead of walking away and leaving the network to decline with no plans for where or how branches would close, the Government have provided a subsidy of £150 million a year. That supports 7,500 non-commercial branches that would otherwise close. That subsidy is part of an overall programme of public support for the Post Office of £1.7 billion until 2011.

I was listening carefully when the hon. Member for Wealden (Charles Hendry) said that the Conservative party, if it is in government one day, would continue to subsidise the Post Office, and I believe he said that that would be at the same level. I listened to that with interest. It is precisely because we recognise its important social and economic role that the Government are committed to a national network with reasonable access to post office services, and are putting in this level of financial support. But Governments also have a duty to taxpayers and subsidies cannot be unlimited.

The challenges facing the network are widely recognised and, at the start of the programme, George Thomson, General Secretary of the National Federation of SubPostmasters, said:

> "Although regrettable we believe that closures are necessary to ensure the remaining post offices are able to thrive in the future".

The hon. Member for Rutland and Melton (Alan Duncan), the shadow Secretary of State for Business, Enterprise and Regulatory Reform, in a debate on the post office network in March, said that

> "we have to face the facts about the future of postal services in this country...we fully expect the network to shrink in size. We have never given a guarantee that no post offices will close".—[*Official Report*, 19 March 2008; Vol. 473, c. 947.]

That was a perfectly understandable and sensible statement. Indeed, if I understood her correctly, the hon. Lady herself said that she did not blame the Post Office.

Mrs. Gillan: I blame the Government.

Malcolm Wicks: Does the hon. Lady blame the last Government, this Government, or both, because they have both presided over a decline in the post office network? I thought she recognised the reality that some post offices will have to close. Is she going to make it clear which Government she is blaming?

Mrs. Gillan: I made it very clear that I blame the Minister's Government. As my hon. Friend the Member for Wealden (Charles Hendry) has made clear, the rate of decline and the closure of post office branches under the recent Labour Administration has been far greater—*[Interruption.]* In fact, as I have just been prompted to say, it has taken place at three times the previous rate.

More importantly, although this debate was called to deal with specific issues in relation to our post offices, the Minister is dealing in generalities. I appreciate that there are some difficult decisions to make, but our taxpayers in our constituencies want part of their taxes to go towards sustaining a viable post office network for them to use. I hope that the Minister will move off the generalities, because we have rehearsed those debates, and come on to the specifics in relation to all our constituencies. Frankly, there are many things that the Government have not done—

Mr. Bill Olner (in the Chair): Order. That was a long intervention.

Malcolm Wicks: It is important to put the matter in context because although it could be said that the rate of closures has increased in recent years, the internet and patterns of drawing pensions have become more of a reality in recent years. Those things cannot be avoided.

The county of Buckinghamshire is covered by two separate area plan proposals: south Essex, south Hertfordshire and Buckinghamshire area plan; and Cambridgeshire, Hertfordshire, Bedfordshire and south Lincolnshire area plan. Under both area plan proposals, nearly 92 per cent. of customers would see no change to their nearest post office, which is a fact worth underlining.

The access criteria set down by the Government last year are designed to ensure a national network with reasonable access to post office services throughout the country. Broadly speaking, those criteria mean that most people should be within 1 mile of a post office branch in urban areas, and within 3 miles of a branch in rural communities. I think I am right is saying that that has not been measured as the crow flies, but that it has been done the proper way.

Charles Hendry: Although account has been taken of rivers—in other words, someone would be taken across a bridge, rather than expecting them to swim across the river—and of mountains, no account has been taken of wiggly roads.

Malcolm Wicks: I am advised—but I shall check my facts and write to the hon. Gentleman if I have this wrong—that the distances quoted in the public consultation documents are calculated by road distances. That is what I am advised, but I want to get this right and if am wrong, I will write to him.

When drawing up its change proposals, in addition to taking account of the access criteria, Post Office Ltd considers many other factors, including the availability of public transport, alternative access to key post office services and the impact on local economies. When drawing up its plans, Post Office Ltd also actively sought the views of key stakeholders, including local councils, and asked about plans for regeneration.

During the local public consultation, there is a further opportunity to make Post Office Ltd aware of any other factors. However, it is important to be clear what the consultation is about. The consultation is not a vote or a referendum on whether a particular post office should close; it is about ensuring that Post Office Ltd has the best available knowledge on which to make informed decisions about which offices should close. The consultation is about how that is to be done, not whether it is to be done.

The decision to reduce the size of the network was taken by the Secretary of State in May 2007, but that does not mean that changes cannot be made to the plans. For example, in the two area plans that cover Buckinghamshire, between 15 and 16 per cent. of the initial closure proposals were changed as a result of detailed pre-consultation input from key interest groups—including the consumer body Postwatch—before they were put out to local consultation.

Mr. Lancaster: Given that the process has supposedly taken place during the past six months, why was the location of those post offices that are to be closed leaked last November?

Malcolm Wicks: I do not know about that leak. I will look into the matter and write to the hon. Gentleman, if that seems sensible to him.

Concern has been expressed about the closure of allegedly profitable post offices, but caution is needed in equating busy branches with profitable ones. There are two factors to take into account when assessing the profitability of a particular post office. First, the business done in a post office and the level of payment from Post Office Ltd directly into that branch has to be considered. Secondly, consideration should be given to the central support costs from Post Office Ltd that are attributable to a branch. That might include IT costs, cash handling and other services not paid by the sub-postmaster or sub-postmistress. Taking both factors into account, three out of four post offices are loss-making for Post Office Ltd, including many relatively busy offices.

Although it is difficult for Post Office Ltd to give specific detailed financial information on individual branches without breaching commercial confidentiality or obtaining the sub-postmasters' permission, Post Office Ltd has confirmed that the average saving it makes for closing a branch is around £18,000 a year. In addition, Post Office Ltd will share an estimate of the total individual branch saving with the relevant Member of Parliament on a confidential basis.

Lorely Burt *rose*

Malcolm Wicks: I do not think that I should give way because I need to spend five minutes replying to the points made.

The issue of card accounts was mentioned, which I remember clearly from when I was the Minister for Pensions. I appreciate that there are concerns about that. The facts are that the contract for the Post Office card account runs out in 2010 and the Government have agreed that there will be a new card account beyond that. I say to the hon. Member for Wealdon that, legally, we had to put that out to tender. It is not possible simply to award the contract to the Post Office. The Post Office is in a strong position to bid, but it would be inappropriate to say anything more without potentially jeopardising the tendering process. I hope that the hon. Gentleman understands that.

There has been some talk about what sub-postmasters and sub-postmistresses can say, and that they have been told not to speak to the press. I think that that matter has been clarified by the hon. Member for Wealden. The situation is that some sub-postmasters are asked to maintain confidentiality about closure proposals until plans have been finalised for publication. After publication and throughout local consultation, sub-postmasters are free to make their views known to the public and the press, which many have done, and rightly so.

I think that the matter of compensation has also been clarified, but I shall just make it clear. Last summer the Post Office issued a letter that wrongly suggested—I think this is where the misunderstanding began—that compensation could somehow be effected. A letter was re-drafted to state that there was a clear commitment to there being no link between compensation and sub-postmasters' views. I hope sub-postmasters are clear about that.

In looking to the future, as I said at the beginning, the process is not easy. I appreciate the concerns that have been raised by the hon. Member for Chesham and Amersham and by her colleagues, but I repeat that post office closures are not new; they have been happening for some years. I also repeat the point that some of the socio-economic changes and technological developments in relation to the internet have speeded up in recent years. It is therefore not surprising—

Mrs. Gillan *rose*

Malcolm Wicks: In the final minute I shall give way to the hon. Lady.

Mrs. Gillan: I think the Minister is pleading new technology in defence. There are plenty of initiatives that could have been taken by the Government that would have meant that post offices would not be in the situation that they are in today when so many of them are closing in Buckinghamshire. Will the Minister give us some glimmer of hope? In his estimation would he say that there is a possibility of saving some of my post offices from closure?

Malcolm Wicks: I have said that some post offices have been saved from closure through the consultation process. I recognise that this is difficult territory and I do not think that any of us can hide from the sheer level of change—not least in telecommunications. That is not an excuse; it is a fact that any serious party must address.

I congratulate the hon. Lady and her colleagues on the way in which they have presented their cases. We understand the importance of the local post office network for communities—not least for frail and elderly people—and I hope that I have given some indication of what lies behind the Government's policy on this complex but important subject.

Bovine Tuberculosis

10.59 am

Daniel Kawczynski (Shrewsbury and Atcham) (Con): Thank you, Mr. Olner, for calling me to open this important debate on bovine tuberculosis.

I initiated the debate in my capacity as chairman of the all-party group on dairy farmers. I set up the group a few years ago, and we now have more than 170 Members. I am pleased to say that it is a cross-party group. We work together extremely well in fighting for the cause of dairy farmers. I am pleased to see the hon. Member for North-West Leicestershire (David Taylor) in his place, as he is an active member of the group.

The National Farmers Union has calculated that a total of 40,000 cattle will be slaughtered in our country this year as a result of bovine TB. In the county of Shropshire, the situation is equally dire. In 1997, 47 cattle were slaughtered there as a result of bovine TB. This year, conservative estimates put the Shropshire figure at 1,600. I have repeatedly mentioned the figures in the House. To go from 47 to 1,600 cattle slaughtered a year in Shropshire alone is phenomenal.

Many farmers in my constituency have been brought to their knees. I do not use that expression lightly, because I feel passionately about the issue. They have been brought to their knees not only by the Rural Payments Agency but predominantly by the rampant spread of bovine tuberculosis throughout Shropshire. The disease is clearly out of control. We need the Government to take immediate, well thought-out and strategic action. I was devastated when the Secretary of State for Environment, Food and Rural Affairs announced in the House that there would be no cull of badgers.

What really concerns me is that local communities and local councils are not allowed to make decisions, or at least to be party to the decision-making process. We should devolve responsibility and a certain amount of accountability to local councils. That is what happens in Germany and other countries. Their Governments understand that the situation varies throughout the country, and they allow certain regions to make their own decisions. I should have thought that the Government would want to devolve responsibility, as culling badgers is such a controversial issue.

In Shropshire, I would call for a limited cull of badgers in the triangle formed by Pontesbury, Minsterley and Westbury on the Shropshire-Wales border, which is where bovine TB is at its most acute and rampant. That would show whether a cull might work. If the Government had given us the power, that is where I would have used it. As it is, I have to joke with farmers in my constituency about chasing the badgers across the border into Wales.

The Government have given the Welsh Assembly autonomy and responsibility, but they will not give it to us in the west midlands. They give the Welsh the ability to deal with these things in their own way. Indeed, in conjunction with Plaid Cymru, the socialist Members of the Assembly have decided to have a limited cull of badgers. It is frustrating to live cheek by jowl with a Welsh community that has listened to the advice of scientists and is having a limited cull, when just across the border in Shropshire, we are not allowed to do so.

David Taylor (North-West Leicestershire) (Lab/Co-op): I congratulate the hon. Gentleman on securing the debate. He was a distinguished member of the Select Committee on Environment, Food and Rural Affairs and will remember our discussions on bovine TB. We said that we were not against the culling of badgers but that it could never be the cornerstone of TB control. Does he agree? Does he believe that there is merit in considering pre-movement testing, which needs high priority in order to identify infected animals, as 40 per cent. of TB outbreaks are restricted to a single animal in the herd and that animal is then culled?

Daniel Kawczynski: I concur. I hope that the Minister will reply to that important point. I agree that culling badgers is not a panacea. However, I would have liked the opportunity to discover whether a small, limited cull could have an impact on the disease.

Despite being devastated and disappointed by the Secretary of State's announcement, I hope that the Minister will be able to give me and the hon. Member for North-West Leicestershire a crumb of comfort on a subject that was raised by Barney Holbeche, the chief parliamentary adviser for the NFU. He wrote to me this week, saying that

> "the NFU has won a High Court judgment against Defra on valuation of high value cattle slaughtered under the bovine TB scheme…Although welcome, Defra have 21 days in which to appeal (we think they will) and even if the judgment is upheld there seem likely to be some losers as well as winners in a revamped scheme".

I hope that the Minister will assure us that the NFU's important victory will not be challenged, and that farmers with high-value cattle will receive proper compensation, a matter that I have raised on numerous occasions in Westminster Hall.

On 8 July, we held a demonstration outside Parliament. I brought together hundreds of farmers from all over the country. We planned the demonstration months in advance, but by sheer chance it took place the day after the announcement that there would be no culling of badgers. We were all outside demonstrating, and we brought cows with us. There were also cows outside Nobel house, DEFRA's headquarters.

We were very English in our demonstration. We were reserved and polite, and we did not cause too much of a fuss, but we wanted to show the level of feeling that exists. The demonstration was followed by a question and answer session in the House, where Labour and Conservative Members were able to interact with farmers. I congratulate my constituent, Andrew Bebb, of the Shropshire Farmers for Action group, Stuart Jones, Mr. Jonathan Lovegrove-Fielden and the NFU on helping to organise the demonstration.

We need more intensive and radical action. We must not be too English. We should be more like the French, and ramp up our demonstrations and activities. We should make the Government sit up and listen to what we have to say about the state of affairs in the agricultural dairy sector. They must take more specific and proper action.

I am convinced that the all-party group will have to find a part-time assistant to lobby the media and the Government. Although we have 170 members, I decided after the Secretary of State's announcement that we needed someone to work for us, to ramp up our activities

[Daniel Kawczynski]

and to get more articles in the media, such as the one in the *Shropshire Star* under the headline "Goodbye to UK cattle industry". An assistant would help the group to lobby the Government.

The NFU will need to step up its legal challenges to the Government. The union does a good job, but I am frustrated because it is sometimes too polite and deferential to the Government. It does not want to rock the boat, in case the Government make life even more difficult. Those days are now over. In the dying days of the Labour Administration and in the run-up to the next Conservative Government, the NFU has to be extremely forceful. It must demand that action is taken, and not be too deferential.

We need to appeal to the European Union over Government action. I have written to Mr. Barroso, even though it was galling to me as an arch-Eurosceptic. I asked his opinion of Government action over bovine TB. It was a difficult thing to do, but the only thing left in our armoury was to check the EU's stance on the Government's handling of bovine TB. In an era when human rights are so important to the European Union and the European Court of Justice, I wanted to ask Mr. Barroso and legal experts what the human rights implications are of not dealing with the disease in the UK. What about the human rights of Shropshire dairy farmers who are on their knees and going out of business?

This week, I have also written to the ambassadors of Belgium and Holland. I hope that the Minister will share my concern about the current unofficial boycott of British cattle imports by Belgium and the Netherlands because some imports have tested positive for bovine TB. The two countries account for more than 40 per cent. of all British cattle exports, and I am concerned that they are acting against the spirit of the EU. I would be grateful if the Minister could give some assurances that pressure is being brought to bear on those two countries to ensure that they stop the unofficial boycott of British meat imports.

I have some brief comments about Shropshire Wildlife Trust. It is the largest organisation in my constituency, with more than 5,000 members throughout Shropshire. Of course, its symbol is a badger. I have attended many meetings at which I have been grilled on my views on badgers, which I shall come to. My wife and I were invited by the trust to watch a badger sett. We went to Whitchurch in Shropshire and spent four hours with the trust watching the sett. The badgers were indeed cute and cuddly, and I thought they were very sweet. We were even given a cuddly toy badger for my baby daughter. Perhaps the trust wanted to convince me just how sweet the animals are and not to call for them to be culled. I appreciate that badgers need to be protected, but we need to engage with the trust and show its members the devastation that wildlife is facing as a result of the spread of bovine TB. We need to explain that many badgers die a slow, lingering death as a result of the disease.

I have addressed the Shropshire Wildlife Trust in the past and I have been challenged on my views by members of the organisation. I will be writing to all 5,000 of them during the recess to say why I think it is important to have a limited cull of badgers. That is a way to communicate with them, engage them, and start the debate.

I have had private discussions with the Secretary of State for Environment, Food and Rural Affairs and I have spoken to all his predecessors on the matter. I made most progress with the right hon. Member for South Shields, the current Foreign Secretary, because he was more prepared than any of the others to meet me and to listen to my views on the issue. I am worried that the Administration have realised the strength of feeling among members of wildlife trusts against the culling of badgers, and in turn the importance of people who live in key marginal seats and in city areas. The Government do not want to offend such people in the run-up to a general election and have therefore taken the easier option of making announcements about extra investment in vaccination and other things. They did not want to grasp the nettle and adopt the most controversial in a plethora of proposals—the one that the Environment, Food and Rural Affairs Committee recommended, as the hon. Member for North-West Leicestershire said. They are not prepared to grapple with the issue because of the ferocity with which any such measure would be met by members of the wildlife trusts.

I appeal to the Minister to give us greater authority and responsibility in our regions to make some of those decisions, because not all areas are the same. Will he please give me a commitment that the victory in the High Court over high-value cattle will not be challenged? Will he please give me some crumbs of comfort to take back to Shropshire farmers, many of whom are on their knees, facing oblivion as a result of this appalling disease?

11.15 am

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Jonathan Shaw): I congratulate the hon. Member for Shrewsbury and Atcham (Daniel Kawczynski) on securing this debate. Following the announcement by my right hon. Friend the Secretary of State for Environment, Food and Rural Affairs on 7 July, it provides a useful opportunity to discuss where we go from here, for which I am grateful.

I have listened carefully to the points that have been made and to the hon. Gentleman. They echo many of the points raised by stakeholders during our discussions in the run-up to the decision on badger culling. The decision not to issue licences to cull badgers for bovine TB control was not easy to make, and I know that many farmers are disappointed, as the hon. Gentleman has articulated. However, based on the available evidence, including the science, we truly believe that it was the right decision. The hon. Gentleman called for a cull of badgers in his area. I can only reiterate what my right hon. Friend the Secretary of State said about the decision. All the evidence was carefully considered and all views were heard, but in the end we could not be certain that a cull of badgers would improve the disease situation in cattle. Delivering an effective large area cull in practice would be a difficult and costly operation that would need to be sustained for a number of years, and public opposition to culling would increase the challenge of effective delivery. In fact, we believe that there is a risk that culling badgers could make the disease situation in cattle worse. Clearly, such a policy would not be in anyone's interest.

Although we have ruled out badger culling, we have made it clear that we remain open to the possibility of revisiting the policy under exceptional circumstances, or if new scientific evidence becomes available. As part of the TB announcement, my right hon. Friend made it clear that vaccination has been made a priority, as recommended by the Environment, Food and Rural Affairs Committee. We are strengthening our programme of research to develop cattle and badger vaccines, and are planning for their deployment by investing £20 million over the next three years. Also, funding will be provided to set up and run a deployment project using injectable badger vaccine, to build confidence in the long-term contribution that badger vaccination could make to tackling bovine TB, and to provide valuable information that could help to bring us closer to the long-term goal of an oral badger vaccine. We need to decide in partnership with industry how best to meet that goal, and therefore the exact nature of the project.

However, vaccination is a long-term policy option and a successful outcome cannot be guaranteed. The earliest projected dates for widespread use of vaccines are early 2014 for the Bacillus Calmette-Guérin oral badger vaccination, and mid to late 2015 for BCG cattle vaccines with a differential diagnostic test. Injectable BCG badger vaccines may be available in 2010 but are not expected to be used widely owing to the cost and acceptability of trapping badgers for injection.

We should not lose sight of the fact that, even if successful, vaccination alone will not provide a solution to bovine TB; it can only form part of a programme of measures. There are a number of ways in which vaccination may be used to tackle TB in cattle or badgers, each with associated benefits and problems. At the core of those is the need to balance the costs versus the benefits of disease control, but wider matters need to be taken into account and balanced, including acceptability, practicality, trade, and legal constraints. Work has begun on those considerations to enable the use of a vaccine once it is available.

In his statement, my right hon. Friend the Secretary of State mentioned the partnership group. A decision on badger culling has been made. Our overriding priority is now to build a strong partnership with the farming industry so that we can consider the priorities for tackling this difficult disease. It is not for the Government to dictate the form and composition of the TB partnership group. The form of those arrangements is just as much a matter for industry as for Government. We hope to begin discussions with industry partners soon.

The hon. Member for Shrewsbury and Atcham raised the issue of TB compensation that has arisen following the recent ruling that the Cattle Compensation (England) Order 2006 breaches the principle of equality for high-value animals. He will not be surprised to hear that we are disappointed by that judgment and are considering whether to appeal. Cattle compensation is a major cost for the taxpayer and the Government have a responsibility to ensure that the systems are, as far as possible, fair to cattle farmers and taxpayers.

We will not return to the previous system, which resulted in significant and widespread over-compensation with all cattle being valued on an individual basis. There is nothing in the judgment to suggest that we should do that. Indeed, it recognises that the previous compensation arrangements for bovine TB affected cattle resulted in a significant over-compensation problem. We will continue to operate the current table valuation system while we review it in the light of the judgment.

The hon. Gentleman referred to the case that is currently in the news of bovine TB in veal calves exported from the UK to the Netherlands. I cannot comment on what he said about Belgium. However, I confirm that my officials have been in close contact with the European Commission and the Dutch authorities in recent days, and have provided a full description of the circumstances of the relevant calf exports. All the TB testing and export certification requirements had been correctly implemented. Discussions with the Commission are continuing.

The hon. Gentleman presented his case in a reasonable way and made his points forcefully, as he has previously in Westminster Hall and the main Chamber. However, I disagree with the assertion that the Government have done little to tackle TB over recent years. While the randomised badger culling trial was in progress, we introduced measures to supplement the routine cattle testing and surveillance programme. For instance, we implemented zero tolerance of overdue TB herd tests and introduced pre-movement and gamma interferon testing.

Those policies are having an effect. The pre-movement testing of cattle that are over 42 days old and are moving out of high-risk herds detected 756 reactor animals in 416 herds in England between March 2006 and April 2008. Those reactors might otherwise have spread disease within buyers' herds. The gamma interferon test identified 5,419 reactor animals from the 47,215 sampled between October 2006 and May 2008. The number of reactors identified by pre-movement and gamma interferon tests shows the worth of those policies. We are grateful to the farming community for its co-operation and commitment.

In addition, we have worked with the industry and with vets to produce husbandry guidance and have funded a wide-ranging research programme to look into matters such as how the disease is spread, how we can improve diagnosis and how we can vaccinate against it. We have spent over £110 million on TB research in the last 10 years and about £8.5 million in 2007-08.

The Government have been asked whether the eradication of bovine TB is still our aim. Owing to the current level of the disease, that is not realistic in the immediate future. Our immediate priority is to work with the new TB partnership group to focus on approaches in the TB strategic framework to control disease and prevent its further spread. Once the disease is under control, the next stage will be eradication.

The hon. Gentleman has a proud and distinguished record. He has been a member of the Environment, Food and Rural Affairs Committee and set up the all-party group on dairy farmers. He spoke of bringing together Members from all parts of the House. Indeed, Members from all parts of the House have rural areas in their constituencies. It is not right to characterise this debate as rural versus urban. I say to him honestly and genuinely that we did not come to our policy decision by taking an urban perspective. It was difficult to grasp these nettles, but a decision had to be taken. My right hon. Friend the Secretary of State said that he would take that decision on his watch.

Daniel Kawczynski: I represent a constituency close to a national boundary and speak about cross-border issues a lot. Many farmers in Shropshire have livestock and agricultural land on both sides of the border. Will the Minister give an assurance that he will liaise with the Welsh Assembly Government and find out about their experiences of dealing with bovine TB so that there is a more co-ordinated approach? I am cognisant that the Welsh Assembly Government have their own responsibilities and powers, but does he agree that there should be greater co-operation between England and Wales on problems such as this?

Jonathan Shaw: I assure the hon. Gentleman that we will co-operate with colleagues in the Welsh Assembly Government. I said in my opening remarks that if new scientific information becomes available, we will reconsider our policy. It will be important to have co-ordination between England and Wales. The Welsh Assembly Government's decision is in the initial stages. It will take time to decide when and where the cull will go ahead.

My hon. Friend the Member for North-West Leicestershire (David Taylor) raised the issue of post-movement testing. He is no longer in his seat, but I think that the hon. Member for Shrewsbury and Atcham was interested in the Government's position. We encourage post-movement testing as a voluntary measure, but we have not imposed it. Farmers obviously take action to protect their herds. I return to my point about setting up the partnership group between industry and Government. That will enable us to look at measures with regard to movement and testing.

I am grateful to the hon. Gentleman for securing this debate and for the way that he has presented his view. His view is shared by many in the farming community. He said that he wanted the NFU to give us a harder time. From the receiving end, I can tell him that that organisation is robust and effective. The Government value the way that it goes about its business, but there are times when we disagree. In life, it is normal to have different relationships with the same people. That is the case on this issue with the NFU. Everybody is pleased with the arrangements that we have come to on the bluetongue vaccine. I have spoken to farmers in my county of Kent who have been pleased and that is felt across the board.

The Government want to work in partnership with the farming community on this important issue. I am grateful for the opportunity to set out our position this morning.

11.29 am

Sitting suspended.

Housing (Disabled Children)

2.30 pm

Ms Sally Keeble (Northampton, North) (Lab): I am pleased to have the chance to hold this debate on the housing needs of families with children with disabilities. The issue is important, and we all see it in our constituencies. Given that this is the last day of debates in Westminster Hall before the summer recess, the fact that there are more Members in the Chamber than there often are for hour-and-a-half afternoon debates is a tribute to how strongly people feel about the matter.

I pay tribute to the work of the Every Disabled Child Matters group, which has worked hard to put the needs of children with disabilities higher on the agenda, and to my right hon. Friend the Member for Coatbridge, Chryston and Bellshill (Mr. Clarke) and my hon. Friend the Member for Blackpool, North and Fleetwood (Mrs. Humble), who is in the Chamber, for chairing the parliamentary hearings that have taken the matter forward and produced a step change in policy and in our thinking about services for children with disabilities.

The housing needs of children with disabilities are often overlooked, yet they are important both for the children and their families, including their brothers and sisters. If their housing provision is not right, one child's disability can become the family's disability. That can have a profound effect on the life chances of the other children and their ability to do their homework, get a good night's sleep, play or have friends around.

My concerns are about children with all forms of disability, including physical disabilities and learning difficulties. I am also concerned about children with behavioural difficulties that might fall short of what is normally recognised as a disability but that none the less have profound consequences on their use of space and amenities and on the living standards of the family. I shall focus on three points: space and overcrowding, the provision of and need for aid and adaptations, and the assessment of housing need and design.

Every Disabled Child Matters did an excellent survey that set out the scale of the needs of families with disabled children. In total, 770,000 children in the UK have a disability, based on the definition used in the Disability Discrimination Act 1995. In a survey of 3,000 affected families, the organisation found that they were often in the greatest housing need; for example, 56 per cent. were in rented properties, which is much higher than the national average. They also tended to be in the worst properties—those in the greatest need of repair. About 50 per cent. were in properties in a poor state of repair, and particular problems were reported with insulation and heating, which are especially important if children are at home for a long time and cannot move about much.

The position of those families is the most striking, and their needs the most acute in the housing pressures that result from the disability of the children. The EDCM survey found that 55 per cent. of the families had problems with family space—in other words, space to play and space apart from other family members. Some 42 per cent. had problems with their functional rooms, such as the kitchen, toilet and bathroom, being difficult to use, and 41 per cent. had only one toilet and/or bathroom. That can be a problem, especially if the only toilet or bathroom is upstairs.

Of the families surveyed, 38 per cent. lacked space for storage and equipment, which can be difficult for people with wheelchairs, pushchairs or other aids. About 38 per cent. had problems with location and 33 per cent. had problems with access around the home or with getting in and out of it. About 21 per cent. lacked the space needed to use the equipment and carry out the therapies that the children needed, and 21 per cent. had inadequate facilities to meet their caring needs such as lifting, toileting and bathing. In total, 86 per cent. of the families surveyed were in homes where there were difficulties with at least one of those matters, and a quarter were experiencing difficulties with six or more different problems.

It might help if I give a personal example of how that affects families I have met in my constituency. Mrs. A lives in my constituency with her daughter and her daughter's five children, who are aged from about eight to their mid-teens. Two of them have special needs and one is severely affected by autism. They live in a little house with a garden and although they have four bedrooms, two are tiny—little more than box rooms—so one of the adults sleeps in each.

When I visited, I found that the oldest child, who is the autistic boy, was pacing up and down in the combined living and dining room all the time. He could not relate to anything else that was going on in the house; he just walked up and down. He shared a bedroom with one of his siblings, and the other three children, one of whom has a disability, shared the other room. A number of the doors and fittings in the house were broken, which was not surprising given the disability that the oldest boy suffered and the way he constantly moved around the house. He was quite a large, well built boy. The family were living in conditions that anybody would recognise as severe overcrowding, although they were not statutorily overcrowded.

The thought that struck me, and in many ways appalled me, was how on earth the other children could have friends around to play when their oldest brother was apt to pace up and down in the living area. Given the pressures in the house, how could they get their homework done and have the private space that they needed in their bedroom, let alone get a decent night's sleep? The family were actually managing extraordinarily well, but at what cost and with what difficulties? Do we really think that such a situation is acceptable in 21st-century Britain, either for children with special needs or for their brothers and sisters? Any child has needs of their home—their living space and their bedroom—and I was ashamed that any family in my constituency should have to live in such circumstances.

On aids and adaptations, I very much welcome the good number of changes that were made earlier this year, which I am sure my hon. Friend the Minister will set out. They should ensure that more money is provided for the substantial adaptations that are sometimes needed by families with disabled children, and that those adaptations should not be subject to means-testing. The increase in funding is also welcome, although I add the reminder that it should be provided for people in private sector housing, which involves different funding streams, and not just used to upgrade social housing. It is important that access to the garden is included in the adaptation regime, as that is important for disabled children as well as other children.

However, there still seem to be logjams, especially in getting assessments from occupational therapists and recognition of the details of the adaptations that families need.

Mr. Andrew Smith (Oxford, East) (Lab): I congratulate my hon. Friend on securing this important debate. She is making a powerful contribution. Does she agree that one real difficulty is people's ability to access the information that they need so that they know what they are entitled to? It was striking to read in the Joseph Rowntree Foundation's research:

> "Most families had already moved at least once in response to their child's needs or their needs as carers. The vast majority had made those moves without any professional advice or assistance."

Is there not still too much of a maze for those who need help?

Ms Keeble: I agree completely. As I shall explain later, it is important that there is more joined-up working between those who deal with disabled children and those who deal with children's policy, so that children's policy and housing policy are co-ordinated. Members such as me who represent constituencies with two-tier local government know of the difficulties of two local authorities trying to work together, sometimes across different cultures. There is not always enough thought about the housing component of children's needs.

Every Disabled Child Matters recognised housing, and homelessness in particular, as the No. 1 risk factor for children. However, that was not carried forward into tough recommendations on housing policy. Disabled children probably get the worst end of the bargain. I agree completely with my right hon. Friend's point. Getting different agencies to work together to provide different aids and adaptations gives families profound difficulty. Perhaps there is a cultural gap between families' thinking about how they want to live and bureaucracy's attempts to fit that into its procedures.

One family in my constituency was living in quite a small three-bedroomed house. There were three children, one of whom was disabled and who, as he grew older, needed a wheelchair. As he grew larger, it was increasingly difficult to get him up the stairs to the only bathroom. The family also needed an extension to his sitting room to cope with the extra space needed in living areas for a child with a wheelchair, which is different from children sitting on a sofa. It was distressing for the parents, because of their difficulties in getting their son upstairs for a bath, as well as for the other children, who loved their brother dearly, cared for him and were wonderful to him but had difficulty playing with him in such restricted space.

In another case, a woman whose child had mobility problems came to see me. She lived in a second-floor flat without a lift, and had managed to carry the child up and down the stairs until the child got heavier when it became more difficult. The final straw was when the child was placed in extensive plaster casts for a long period, which made it impossible for the mother to get the child up and down the stairs.

[Ms Keeble]

In looking for a way forward, I point to the recommendations in Every Disabled Child Matters. I shall pick out a few of them for my hon. Friend the Minister to respond to. The report recommended that the Department for Children, Schools and Families and the Department for Communities and Local Government should issue guidance that adaptations for children should facilitate inclusion in family life—that might sound obvious, but it does not necessarily work that way—so that it is not possible to argue, for example, that the family's dining space should be used for the space needed for adaptation. Families with disabled children should not have to choose between space for the disability or family life; they must be able to have both. That might mean sometimes considering home extensions rather than just using one of the downstairs living rooms for space for an adaptation.

Annette Brooke (Mid-Dorset and North Poole) (LD): I congratulate the hon. Lady on securing this important debate, and I concur with her about the difficulties with two-tier authorities. Does she agree that some problems are made worse by the fact that housing is not pooled within strategic partnerships? During the passage of the Children Act 2004, it was presumed that local authorities would cover housing, but that is not the case with housing trust arm's length housing. In my experience, it is more difficult to come up with innovative ideas such as extensions, and it is only when there is a catalyst, such as an MP, that things can be moved along.

Ms Keeble: I agree completely. There may also be a perception that families with disabled children can get by, which means that the right standards are not set for the quality of the space and accommodation that they should have. The hon. Lady is right: trying to chase things through arm's length arrangements and joint working is exceptionally difficult.

Mr. Philip Hollobone (Kettering) (Con): Does the hon. Lady agree that one of the main problems is that there are not enough bungalows, whether in the public or private sector? If there were more bungalows, it would help a lot of disabled children as well as a lot of elderly people.

Ms Keeble: Yes. I do not know how many bungalows or one-storey houses there are. We need to ensure that housing is built so as to allow the installation of technology that enables people to get about. The hon. Gentleman's constituency is close to mine. We have some good local examples of housing built to a high standard that meets people's needs through making good use of new technology.

Will my hon. Friend the Minister consider removing completely the cap on the disabled facilities grant for children? That would mean removing even the £30,000 for mandatory grants, bearing in mind the fact that adaptations for children are often made for a whole lifetime in order to avoid the need for families with disabled children to move house, as my right hon. Friend the Member for Oxford, East (Mr. Smith) mentioned.

On inter-council working, there should be a named officer in local authorities to deal with disabled children's housing, including access to advice and information for parents of disabled children, transparency in housing allocations and adapting processes and participation for families in current and future housing decisions. In addition, all agencies should ensure that staff have basic housing training so that families have access to the help and advice they need.

The housing situation of families with disabled children should be included in the remit of relevant inspection bodies, such as the Audit Commission, the Planning Inspectorate and Ofsted, and the disabled children's indicator should apply to housing as well as to other services. That is a problem sometimes. The fact that services for children must carry into housing services as well is not always thought through.

To those recommendations, which come from the Every Disabled Child Matters report, I add the following. First, the housing needs assessments and strategies of housing authorities should consider specifically the needs of families with disabled children and factor them into their procurement of social housing. That should not be difficult, as information on children with disabilities should be held by local educational and health services and well known to local authorities.

As for the point made by the hon. Member for Kettering (Mr. Hollobone), local authorities should ensure that more housing is provided to mobility standards of the type used by some specialist housing associations such as John Grooms. I have seen such houses in Northampton. The building standards that make them suitable for families with disabled children also make them much better for all families. The space in the corridors and stairwells gives the houses a completely different atmosphere and feel. Such houses are lifetime houses: a family moves into one, and the house can adapt to the family's changing circumstances. Children with disabilities become teenagers with disabilities, and parents might find that they themselves need lifts, hoists, walk-in showers and other features.

Following that recommendation would also mean that we considered carefully decisions to allow the construction of three or four-storey blocks of flats without lifts. Such buildings can be extraordinarily difficult for a family on a second or third floor with a child who acquires a physical disability or a learning or behavioural difficulty.

Secondly, the overcrowding rules should consider the spatial requirements of families with children who have physical disabilities. That has been a thorny and vexed problem for many years. I started campaigning on it as a local government councillor in 1986, and in many respects we are not much further forward than we were then. We still use standards that were originally produced in 1935, which do not meet the needs of any families, least of all families with children. Every Disabled Child Matters has asked that the bedroom standard be amended to reflect the need for all disabled children to have separate bedrooms from other children in the household and for all social housing providers to reflect that in their vettings policy.

Extra space needs to be considered for children with autism and behavioural difficulties, such as attention deficit hyperactivity disorder, which puts pressure on both living space and space for other children. The requirement must be to assess such needs in housing allocations and to take them into account once the new overcrowding standards are drawn up, which we hope will happen in the not-too-distant future—given that 22 years have gone by. I understand that some of those things might be difficult owing to problems with defining some of the behavioural difficulties, which often put more pressure on other children in the family than almost anything else. If a child has to share a bedroom with a seriously disruptive sibling, and there is no proper living space either—sometimes because the parents have to sleep in the living room—the life chances of all children concerned are profoundly affected.

On aids and adaptations, what has happened with the monitoring and assessment of the implementation of the changes made so far? As I am sure the Minister knows, just because guidance is issued does not necessarily mean that it is followed. I am sure that some local authorities follow exceptionally good practice and can be held up as beacons to those that have not quite worked out how to do it. In particular, what has happened about dealing with logjams in assessments by occupational therapists and the need for more co-ordination between the children's and housing services managing the disabled facilities grant? A number of colleagues brought up that point. My hon. Friend should look back at the Every Disabled Child Matters report, which rightly gave very high priority to housing as a risk factor for children. However, having identified it as a risk factor, the document did not carry through into policies that would ensure that children's housing was properly provided.

In conclusion, problems remain with the provision of the housing standards that families and children in 21st century Britain expect. In many ways, the problems may seem very challenging, and certainly some of them, such as the overcrowding, will be expensive to solve, but if we are to ensure that all families have access to proper housing, we must ensure that housing standards meet the needs of the most vulnerable children in our communities. I hope that while we all enjoy our summer holidays some careful work can be done to ensure that the thoughts on this matter of both the voluntary sector and other colleagues can be carried forward.

Mr. Hollobone: On a point of order, the hon. Lady made an excellent speech, but in the background was the near constant, inane, amplified chanting from protestors on Parliament square. Mr. Bayley, would you be kind enough to draw that to the attention of the Serjeant at Arms and the Speaker? If our parliamentary democracy is to function properly, that sort of protest should not be allowed to intrude on the proceedings of the House.

Hugh Bayley (in the Chair): I shall make a note of that. I know that the Clerk will draw it to the attention of the appropriate people.

2.54 pm

Mrs. Joan Humble (Blackpool, North and Fleetwood) (Lab): I am sorely tempted just to say that my hon. Friend the Member for Northampton, North (Ms Keeble) made a brilliant speech and that there is no need for anyone to say anything else. Given that we are here, however, it is important that we support her comments and reinforce some of her points—and that is what I intend to do.

My hon. Friend mentioned that I and our right hon. Friend the Member for Coatbridge, Chryston and Bellshill (Mr. Clarke) held a series of parliamentary hearings looking into the pressures on families with children with disabilities. Interestingly, housing did not feature very large in that debate. Part of the fault lay with us and the questions that we asked in order to focus the debate. However, it was equally important that many of the families whom we met and who came to give evidence to parliamentarians put health and social care needs to the fore. I think that they did that because they thought that we could do something about those things, whereas with housing they seemed to have so many insurmountable problems that they often gave up.

From my dealings with the local authorities in my constituency and with housing associations, I get the impression that all too often they give up as well and do not know what to do. It is about time that we decided that something can and should be done, and that we got on and did it, which is why I agree with my hon. Friend about the excellent report from the Every Disabled Child Matters campaign, which focuses our attention on housing and the way that it really can make the difference between a family staying together and falling apart. A family with more than one disabled child—or just more than one child—might be receiving support from the health service, the education service and social services, but if they are in cramped and inadequate accommodation, everything will go wrong. It is our responsibility therefore to look at housing and to push it up the agenda.

Like my hon. Friend, I congratulate the Government on what they have done so far. We campaigned long and hard for the removal of means-testing for families with a child with disabilities applying for the disabled facilities grant, which made a huge difference. The Government also raised the limit from £25,000 to £30,000. However, it remains inadequate for many families, which is why I too would like the Government to re-examine the problem. We do not want families to have to move to find better accommodation—in some instances, in so doing, families have had to repay some of the money paid to them. We need to get this right at the beginning.

The parliamentary hearings highlighted the fact that many families with a disabled child do not understand why different agencies do not talk to each other about their needs. In our debates we get tied up in all sorts of questions about data sharing and limiting the amount of data shared to protect information held on individuals by different Departments. However, the people whom we are trying to help just assume that data are shared, and then do not understand when they find out that the health service does not tell social services that a disabled child has been born who will need social care help, or tell the education service that, "In X number of years you will have X number of children with this disability. Plan for it!" If they cannot even plan across health, social care and education, what about housing? It is a very poor relative in all this, and there does not seem to be any planning whatsoever.

I would like the Minister to take away a simple message: endorse the comments being made about agencies working together and planning the needs of their local community. There have been many changes in the way that local government operates, such as local area agreements and the setting up of children's trusts, that should facilitate that. There are opportunities for the housing needs of children with disabilities to be incorporated into strategic planning.

Mr. Andrew Smith: My hon. Friend is making some good points. Does she agree with the point that our hon. Friend the Member for Northampton, North (Ms Keeble) made about accessing information and advice—that it would be helpful to have a named lead officer in each local authority with responsibility for housing advice and leading the way on assessment and assistance for disabled children? Such officers would link social services and whoever else is involved, so that we got a coherent response.

Mrs. Humble: I absolutely agree. Information, advice and guidance are key to everything that we do for families with disabled children. They need that advice and guidance on education, health, social care and housing.

There are concerns about areas with two-tier authorities. I see the difference between the two halves of my constituency. The half in Blackpool has a unitary authority that has co-ordinated services, which means that I can get such advice from one person, who should therefore be able to give similar advice to residents. The other half has Lancashire county council, the third-tier authority, providing children's and social services, and Wyre borough council as a housing authority. Those authorities need to liaise with each other, particularly because the housing authority is planning future housing development. I speak as a former Lancashire county councillor, so I know that the situation is not new. The difficulty of getting information and co-ordination across two-tier authorities has always been complex, but there are now ways of doing things that did not exist before, and we can get that co-ordination.

I want to discuss some of the recommendations in the Every Disabled Child Matters report. One recommendation was that Government offices should

> "ensure that all English regions are considering the housing needs of families with disabled children in their housing strategies."

Of course, to underpin that, we need a clear idea of who those children are, how many there are and the nature of their disabilities, but such analysis often does not exist. One reason why is that clinicians sometimes make inaccurate prognoses about children's future outcomes. When a baby is born with profound disabilities, it is difficult for a clinician to say exactly what is wrong with the child and how they might progress as they grow older. I have had constituency cases in which the family had been told that a child's disability would have certain consequences, but five or six years later the situation was entirely different. It is therefore important, if agencies are to work together, that clinicians make as clear a diagnosis as possible about the child and their life chances.

It is also important that there is co-ordination on how such information is shared. It does not necessarily need to be shared by saying, for example, "Jane Smith has been born; she has this and that disability and you will need to do X to support her and her family." Information can be shared numerically. We can look at groups of children and plan services for them. Parents think that we already do that, but it is not happening, and we need to look at ways of doing it to make their lives much easier. We can then have the sort of housing strategy that we are talking about. Similarly, housing must be included in the core offer that will be available to families through the Aiming High for Disabled Children programme. As local authorities liaise with families in such circumstances, they should consider housing.

As my hon. Friend the Member for Northampton, North said in her excellent speech, we must consider the space that many such families need, and the disabled child's need for a bedroom and toilet facilities. The need for toilet facilities causes more problems than anything else as children grow older, because if there is no downstairs toilet or bathroom, families cannot lift them up and down stairs. In many houses, through-floor lifts are impractical, and stair lifts, if families can get them, are not always suitable for disabled children. We must ensure that housing authorities, developers and providers understand what we mean by providing appropriate space and adaptations in homes.

I visited a home in my constituency that had been specially built for a family with three sons who all had muscular dystrophy. The house looked wonderfully spacious and had a huge kitchen and living room. When it was built, it served the children's needs, but when I met those boys they were young men in their early 20s. The house that had been perfectly adequate for them when they were younger was no longer adequate for them, and I liaised with the family about alternatives such as providing independent accommodation for those young men. Even when a problem seems to have been solved, that might no longer be the case as children grow older and the space that has been made available is no longer enough.

My hon. Friend talked about the importance of housing as a risk factor. It is not only a risk factor in the sense that there is risk to the child of having an accident at home; there is also risk to the family of breakdown and abuse. If a family suffers much anxiety and stress because of the housing in which they live, it may, sadly, result in physical violence among family members, including the disabled child. A family's housing situation can also put pressure on the services that are available to them. If their circumstances are so inadequate that they cannot cope with the pressures as a family, they will make more demands on everybody else, such as demands for short breaks or demands on the health service. If the home situation is sorted, the family might not need as many services. They will need some, and those services need to be available, but some of the pressure on services that provide short breaks, for example, comes about because families cannot cope in their current circumstances.

I hope that the Minister will be proactive in this matter, and that he will look to the responsibilities of local government. I hope that he will take into account the modern building techniques that housing developers can use, which have been implemented in certain areas. New properties can be constructed in such a way that adaptations can easily be made, such as moving light switches up and down. One of my brothers is an architect and he tells me about all the new things that are available. We should be using them. We should no longer be building little boxes that cannot be adapted—something that undermines the things we are talking about. We need properties that can be adapted easily to the family's needs, whatever they are—whether the family have a disabled child or, later, an elderly relative living in the home, who could equally benefit from adaptations to it.

Let us remember that in this debate we are talking about children. They may be disabled children, but they are children first. They should have opportunities to play and to have private time to themselves. When they become teenagers, what teenager wants their mother or father to carry them to the toilet and supervise them in there, and carry them back out? Let us remember that they are children and we should give them the sort of life chances that any child should have. Their housing needs are part of that.

3.11 pm

Julia Goldsworthy (Falmouth and Camborne) (LD): It is a great pleasure to take part in this debate, and I congratulate the hon. Member for Northampton, North (Ms Keeble) on securing it in the last gasp of the parliamentary term before we rise for the recess. I congratulate, too, the Every Disabled Child Matters campaign and the Joseph Rowntree Foundation on pulling together information in a pretty neglected area. The report makes it explicit that it is difficult to drill down to the numbers of affected individuals. At one end of the spectrum the figure appears to be enormous. According to the Government's own estimates, 770,000 children in the UK have a disability, based on the definitions in the Disability Discrimination Act 1995, which cover a wide range of disabilities from severe physical impairment to behavioural difficulties. The hon. Lady elucidated the wide range of demands that that might place on housing needs, which can create difficulties in responding. There may be some common factors relating to space, but the differing needs of children in different areas, with different disabilities, make co-ordination quite complicated, and that needs much better understanding at local level.

We can talk in very broad terms about the number of young people with a disability, but the report made it clear that much of the more detailed work that it has been possible to carry out has focused on children with severe disabilities. We need to know an awful lot more about the whole spectrum of disabilities. We need much more information so that we can be better placed to understand the problem as well as to find solutions.

The report was also excellent at raising the wide range of challenges posed when families live with and care for a disabled child. The issue is not simply access. That is an easy assumption that is made all too often. There may be a need for appropriate family space or sleeping accommodation, or the issues may be wider housing conditions, safety or overcrowding. It is disturbing that families with a disabled child are 50 per cent. more likely than other families to be overcrowded. That is quite a startling statistic. One of the other factors that can be thrown into the mix, as the hon. Member for Blackpool, North and Fleetwood (Mrs. Humble) has mentioned, is the fact that people's needs and requirements are likely to change over time. That means that flexibility is needed in assessment, so that there is not just one point at which a young person is assessed, when their need base is established for the future. What is needed is an almost continual review process, so that as the family and young person change, their needs are met.

It is disturbing that housing is not the priority when many issues relating to meeting disabled young people's needs are discussed in local and central Government. We see from the report that all too often disabled facilities grants become the gateway for a wide assessment of the appropriateness of housing. People who do not fall into the relevant category or make the application seem to fall through the net altogether. At central Government level, the work that has been undertaken has not focused on housing. Aiming High for Disabled Children was largely focused on health and social care for young people. The focus in the Department for Children, Schools and Families has, again, been on special needs education provision, rather than on considering the impact that housing could have. It is difficult to see how we can ensure that it fits into the equation. The Minister is a housing Minister, so it will be good to hear how his Department plans to co-ordinate with the Department for Children, Schools and Families, and the Department of Health, to ensure that all the issues properly join up.

Exactly the same challenges face central and local government. The hon. Lady spoke about the additional challenges posed by two-tier authorities in trying to marry up all the issues. What is happening in the context that we are considering is probably an example of a wider problem: the silo approach to delivering services at local or national Government level, or both. I can think of examples involving families with disabled children when it has been incredibly frustrating to try to join up all the different Departments, and the support that the family were trying to get. Probably most of my surgeries include a handful of people who come with a problem that has been caused by difficulty in joining different Departments together. The concern, where disabled children are concerned, is the extra vulnerability in the mix, which means that it should be even more of a priority to resolve the issues.

The report is explicit in its recommendations to central and local government about getting recognition in local and regional planning of the needs of disabled children, such as space requirements and the need for living and communal space. It also flags up the lack of any requirement to ensure that a disabled child has their own bedroom. Not being able to provide that will, in many cases, have a massive impact on the whole family's quality of life and ability to cope. The report is also explicit about the need to get central and local government to join up, and makes helpful suggestions about identifying a senior officer to be responsible for co-ordination, and getting housing on to the list of factors that need to be considered when assessments are made. Those are practical things that could be done fairly easily, by local authorities pushing best practice and through clear guidance and expectation from central Government. I look forward to the Minister's response to those specific proposals, which would make the process much easier.

Three other issues need to be considered more widely, however. I have already touched on the first one, which is about not just catering for disabled children's housing needs, but the management of their transition into adulthood. Some of the young people whom this debate is about will be severely disabled, and reliant on carers—usually their families—to look after them for the rest of their lives; but some will expect to live independently at some point. There are questions to be addressed about ensuring that their needs are met not just when they are children, but when they are adults. A figure that struck me in the evidence submitted by the Joseph Rowntree

[Julia Goldsworthy]

Foundation in support of the Every Disabled Child Matters campaign document showed the availability of specially adapted accommodation.

The most telling statistic is that less than half of disabled children who require specially adapted homes live in suitable accommodation. That contrasts with the 80 per cent. of people aged 65 or over living in accommodation that is specifically adapted to their needs. Clearly, there is much better performance in respect of the older age range, where there is a wider expectation that access and other issues will be addressed. The second most shocking statistic is that only 60 per cent. of people aged 16 to 44 live in accommodation that is adapted to their needs, so although it is worst for young people, it is pretty bad for young adults, too. The transition must be managed, and I wonder whether it might be more difficult now that child services and adult services have been separated. I can think of examples in my constituency whereby families have had real difficulties getting their child's needs met during the transition. They are suddenly treated as a different person in respect of the requirements that must be met once they hit 18 years old. There are equivalent challenges in meeting their housing needs, and the issue needs to be addressed.

The provision of housing for disabled adults also needs to be addressed. We know that disabled children are more likely to live in poverty, but children are also more likely to live in poverty if their parents are disabled. It is important that we address the needs—particularly the housing needs—of any family facing a disability, whether a child's or an adult's, because it will impact on their quality of life, on their space requirements and on many other considerations.

More widely, how much do local authorities actually know about the scale of the problem and the level of need in their area? We know, broadly, the numbers of children living with a disability and the qualitative information about young people with specific, severe disabilities, but we have no sense of what is going on across the piece. There is a wide variety of need in different areas, so what will the Minister do to help local authorities undertake a basic fact-finding exercise to ensure that the proposals are based on assessed needs rather than on central estimates?

The debate about the prioritisation of families with disabled children and their lack of access to housing is almost academic unless the fundamental issue about the lack of social housing is addressed. Some 1.6 million people are on social housing lists, and the Local Government Association predicts that the number will reach 2 million by 2010. That is important for families with disabled children, because they are more likely to be tenants than homeowners. From talking to housing officers in my constituency, I know that the biggest shortage is in decent-sized family accommodation. A few months back, I asked them about the property turnover that they expected, because the biggest reason why people turn up at my constituency surgery is housing and an inability to find appropriate housing. Those people are often families, and while it is easy to say that a disabled child should automatically have their own room, if only a handful of family-sized houses changes hands over one year, only those with the most acute needs will have their requirements met. That may mean that not all the needs of families with disabled children in the area will be met, so unless something is done to address the wider problems, families with disabled children will still be in a difficult situation.

Ms Keeble: Given that the hon. Lady's party is committed to tax cuts and to cutting public spending, how would she increase spending to meet people's profound need for social housing, let alone for disabled housing?

Julia Goldsworthy: We have not committed to tax cuts; we have said that the burden of taxation falls unfairly on those on the lowest incomes. Our priority should be that problem's resolution, and I hope that the hon. Lady agrees.

A constituent of mine has a disabled son and lives in terrible circumstances, but the local authority uses the existing rules on needs assessment, and the disability is exacerbating matters. My constituent lives in the same property as her abusive ex-partner, she has a child on the at-risk register and she cannot leave because she has been told that she will lose her tenancy and be judged intentionally homeless. It has caused many problems, but the fact that she has a son with learning disabilities should not be the reason why the situation is unacceptable; wider issues need to be resolved. There needs to be a fundamental consideration of how to meet the challenges of social housing.

The Housing Corporation will not meet its target for building social housing this year. The hon. Lady and the hon. Member for Blackpool, North and Fleetwood discussed requirements, including ensuring that new homes are adaptable and accessible, but the discussion is academic unless we build new social homes. The building of social housing is no longer cyclical to the housing market; it is in sync with the cycle. Now that there are wider difficulties in the house building market, my concern is that the availability of social housing will dry up even more.

Mrs. Humble: The hon. Lady is quite right to say that we need to build houses in a different way and ensure that they are adaptable to a variety of different needs. However, does she agree that there are families living in homes that need not major but fairly minor adaptations, but that, often, the families are unaware of them? Toilets, for example once more, can be adapted so that children and adults with a disability can use them. People need to have information and resources to access the easy adaptations to their premises.

Julia Goldsworthy: The hon. Lady is right that in tackling the issue, there is a series of needs: the wider supply of social housing, awareness, joining up the delivery of local services, and Departments ensuring that the issue is on the agenda. I again congratulate the hon. Member for Northampton, North on ensuring that it is on Parliament's agenda, but I very much look forward to hearing from the Minister what he and his Department can do to draw the important strands together, so that that most vulnerable group of people receives the support that it needs and deserves.

3.29 pm

Robert Neill (Bromley and Chislehurst) (Con): It is a pleasure to see you in the Chair, Mr. Bayley, and it has been a pleasure for all of us to hear what has been a very constructive debate on our last sitting day before the recess. I join all other Members in congratulating the hon. Member for Northampton, North (Ms Keeble) on securing the debate and on her speech. Both her speech and that of the hon. Member for Blackpool, North and Fleetwood (Mrs. Humble) were cogently argued and raised some very important points. I also want to join all Members who have spoken in welcoming the work of the Every Disabled Child Matters campaign and the underlying research documentation that the Joseph Rowntree Foundation produced.

One of the themes of today's debate is the recognition that, in dealing with these issues, not only is there a need for a cross-departmental approach at local level and a cross-agency approach, but there is clearly a need for a cross-departmental approach at Government level as well. I am sure that the Minister will be able to assist us on those matters when he replies to the debate.

The Every Disabled Child Matters document makes some cogent and important points and we need to look at finding practical ways to take forward some of the ideas that have been raised in this debate. The hon. Member for Northampton, North referred to the issues of supply and space. Those are important considerations, as hon. Members who have read the document will know. There is an issue about the supply of accessible homes and that relates to accessible homes in all sectors in the housing market. John Grooms, the specialist housing charity, estimates that there will be a shortfall of about 300,000 homes that are needed.

I agree with all the hon. Members who have spoken, in that I imagine that every Member of this House has some experience from their own constituency casework of people who are under pressure because of the lack of appropriate accommodation. I agree that it is particularly difficult for those with children, especially managing the transition from childhood to adulthood and then on to independent living.

I have been helped in my understanding of those issues by the work of an organisation in my constituency called Bromley Sparks, which acts as an advocacy group for young people with a range of disabilities who are exactly at that stage of life when they are seeking to move into independent living, sometimes, of course, because their own parents are no longer in a position to assist them. The work of Bromley Sparks in our local area is very valuable and it is an example of how the voluntary sector can work constructively with local authorities and housing associations to tackle the issue of independent living.

The point about bedroom sizes and general space within the home is a valid one and one that we need to look at in considering how we take things forward. The Government have an aspiration for all homes to meet lifetime home standards. As the Minister will know, my hon. Friends and I have welcomed that aspiration. At the moment, the plan for all homes to meet those standards is being rolled out to the public sector first. The Minister will also know that my hon. Friend the Member for Forest of Dean (Mr. Harper), who speaks on disability matters for the Oppostion, has raised with him how we ensure, at the appropriate point, that there is a level playing field in relation to all housing supply.

It is important that we take these issues on board, but it is also important that we ensure that developers, planners and the public alike understand the implications of lifetime homes. For example, it is important in areas such as London and other major cities, where space is at a premium, that we accept that lifetime homes may sometimes require a degree of flexibility in the application of density targets in relation to specific sites, to ensure that homes that have the requisite size can be provided, where appropriate.

Of course, it is also important in how we look at the detail of planning policy, so that, for example, we do not have the situation that has occurred in previous years where calculation of densities by units rather than by habitable rooms per hectare can tend towards the creation of flatted units, whereas we all know—I think that it is common ground between us—that particularly in affordable housing and to some degree the market sector there is a shortage of family housing, as has been referred to during the debate. It is a case of finding the means that enable those family homes to be delivered promptly and easily; that is terribly important.

I agree that that does require good work by local authorities. With respect to the hon. Member for Blackpool, North and Fleetwood, I do not think she was saying that it is an impossible hurdle when people are dealing with two-tier authorities; in fact, I know she was not saying that. It can be tougher. However, there are examples of good practice and many of us know that the Local Government Association is keen to encourage that good practice.

Mrs. Humble: I would not want my hon. Friend the Minister to go away with the idea that, although there are problems with two-tier authorities, those problems are insuperable. I shall give the hon. Gentleman one example that I know about of two-tier authorities working together. Lancashire county council told my borough of the needs of a particular family. When some new building was taking place, within that new build a home was constructed specifically for that family's needs; in fact, they had more than one disabled child. So two-tier authorities can work in this area.

Robert Neill: The hon. Lady is absolutely right. She reinforces the point that I think we are all agreed on, that encouragement of good practice is important. However, I would also make the point that the closer that housing strategy is developed to the community those houses are going to serve, the more likely we are to get that really accurate and detailed assessment of the housing needs of particular communities that can deliver those homes. A remote construction of housing strategy tends to militate against the objectives that I hope all of us are seeking to achieve.

Similarly, as the Minister will know, my party broadly welcomes the changes that have been made in relation to the disabled facilities grant. Those changes give more flexibility to local authorities. However, one thing that we want to ensure is that in practice the end of the 60:40 split in related matters enables local authorities genuinely to ensure that the same amount of money is available and that they can optimise that flexibility at a time when their budgets from other sources are, of course, very constrained. Nevertheless it is, of course, the right direction to be going in.

I also want to say that the point about registers of accessible housing and assessment of need is a valid one that is flagged up in the report. It seems to me that those registers are an example of something that can be done,

[Robert Neill]

with the use of modern technology, without the need for huge bureaucracy. Those registers are not difficult for forward-thinking local authorities to achieve. I hope that we will be able to work with the local government community in achieving them.

It seems that the overall objective for all of us is to ensure that there is sufficient flexibility and sensitivity built into both the system and the use of budgets, so that we can deliver the funding that is available to where it is likely to be most effective, so that assessment targets the real needs of people and we incentivise the various agencies involved to pull together in the most constructive way possible.

That process includes the issue of adaptations. Again, the point is well made that there has been good work and there have been improvements—I know from my own locality that real efforts have been made to speed up the assessment of need—but there are still areas where more needs to be done. I hope that the Government will continue to monitor those improvements and to work with the local government community, including local councils, to identify the most efficient ways of making those improvements and bringing that good practice forward.

Of course, we have to take on board the holistic picture, if you like, in relation to the funding that is made available to disabled people. For example, I know that some people find that, when they have savings and they then apply for grants for capital facilities and so on, those savings militate against their getting some support. That seems rather harsh.

There is another interesting issue that I have come across. Somebody may move, for perfectly good reasons, from a house that has been specifically adapted for disabled living, but we must ensure that that house is still available for others who could benefit from those facilities. It is not something that needs to be complicated, but it reinforces the need for the various agencies to talk to each other.

This has been a very constructive debate, which has highlighted a very important issue and the work of valuable organisations in an area that is worthy of our attention, and I would express the hope, as other hon. Members have done, that although we are going into recess, the work that is being done in this area will continue and that we will have some concrete examples of how we can take things further forward when the House returns.

3.39 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (Mr. Iain Wright): It is a pleasure to serve under your chairmanship, Mr. Bayley.

I congratulate my hon. Friend the Member for Northampton, North (Ms Keeble) on securing this debate. In a crowded field, she is, frankly, a real champion on the Labour Benches of matters relating to housing. I have had the pleasure of debating with her in this Chamber not only housing for disabled children but wider social housing in Northampton, and the private rented sector. I have had the privilege of being a guest in her constituency and being shown around by her. She is a true, passionate advocate of housing needs, not only in her area but across the country.

Several hon. Members spoke about the need to increase the supply of housing, and they were right. The hon. Member for Falmouth and Camborne (Julia Goldsworthy) in particular touched on it, and I agree with her. As hon. Members will know, increasing the supply of good quality, affordable housing for everyone, including households that have special needs, is a key priority for this Government. I am therefore grateful for the opportunity to discuss briefly what we have done and our future aims specifically in respect of the needs of disabled children.

The hon. Lady mentioned the need for additional spend and for ensuring that we focus on affordable housing. Again, I agree with her. We are providing £8.4 billion across the regions over the next three years to invest in affordable housing, initially through the Housing Corporation and then, touch wood—I believe that the Housing and Regeneration Bill will be receiving Royal Assent any second now—through the new Homes and Communities Agency. That will be a 50 per cent. increase in funding compared with the previous three years.

The hon. Lady also mentioned affordable housing units. We are increasing the number of affordable houses to 70,000 by 2010-11, of which 45,000 will be new social rented homes. That is 50 per cent. more than last year. That is an important consideration in respect of increasing the supply of housing, particularly affordable housing.

Julia Goldsworthy: I am pleased to hear the Minister outline the degree to which the Government are making affordable housing a priority, but does he not agree that 45,000 additional social rented homes set against waiting lists totalling 1.6 million indicates the scale of the problem? The provision will meet a fraction of the underlying need.

Mr. Wright: I agree with the hon. Lady's essential premise, which is that we have not been building enough homes. There is a huge imbalance between the demand for and supply of housing. We need a variety of providers to help meet the demand. The private sector and registered social landlords will play a role, and councils will play a role in direct delivery. We need all of them to step up to the plate to ensure a good supply of affordable housing across the board that addresses the specific needs of different segments of the population.

Mr. Andrew Smith: We all agree that there is a need to provide more housing, and more social housing, particularly for disabled children, but would the Minister agree that as well as public and private investment, in many areas, including my own in central Oxfordshire, we need more planning permission, some of which will almost certainly have to be for green belt land, in order to find sites suitable for the social housing that is desperately needed? Was it not curious that during the Henley by-election, Conservatives and Liberal Democrats competed with each other to oppose a site that could have provided such housing?

Mr. Wright: That brings me to what I want to say in response to my hon. Friend the Member for Northampton, North. I am conscious, given that it was her debate and that she successfully outlined her arguments, that I moved straight to the points raised by the hon. Member for Falmouth and Camborne, who is the Liberal Democrat spokesperson.

My hon. Friends the Members for Northampton, North and for Blackpool, North and Fleetwood (Mrs. Humble) touched on three points. The first concerned the strategic housing assessment that local authorities are required to make. The second concerned adaptation and problems of accessibility, and the third concerned space and overcrowding. I shall address those points one by one.

We have rightly discussed strategic housing assessments and the role of local authorities. My right hon. Friend the Member for Oxford, East (Mr. Smith) intervened on me on this matter. It is included in the recommendations of the report "Disabled children and housing", which states, as has been mentioned, that Government offices for the regions are to ensure that all English regions and localities consider the housing needs of families with disabled children as they develop their housing strategies.

The House will be aware that the housing Green Paper that we published last year calls on local authorities to play a stronger role in addressing the housing needs of all residents as part of their crucial place-shaping role. As part of that, they are expected to assess and plan for the current and future housing needs of all local people, including vulnerable people such as families with disabled children. We expect the Government offices, as part of their relationship management role, to work closely with local authorities to ensure that their strategies, including those on housing, address the needs of all local people.

Mrs. Humble *rose*—

Mr. Wright: I shall discuss the Homes and Communities Agency and then give way. The relationship between the new agency and local authorities will be valuable. Councils will be allowed to step up to the plate to provide skills and capacity and, in some respects—this is a direct response to my right hon. Friend—local authorities will be challenged if they are not providing enough in terms of the needs of their local community.

Ms Keeble: Would my hon. Friend accept that one of the issues around the assessments is that, at present, there is not proper recognition of the spatial requirements of families with children with disabilities, in particular learning and behavioural difficulties? If assessments are to be made, they must take on board the fact that such families have different and greater requirements, and that it is not enough to make the assessment on the basis of the current assumptions about the type of space and facilities that they require.

Mr. Wright: That is an important point, and I shall liaise with colleagues in the Department for Children, Schools and Families and the Department of Health to consider what else we can do to provide guidance for local authorities that will help to address it.

I come back time and again to the point that local authorities are best placed to provide the place-shaping role in their local areas. They are usually best placed to understand what is necessary in their local area. I was struck by an intervention from the hon. Member for Kettering (Mr. Hollobone), in which he spoke about bungalows. I agree with him on that. Certainly on my own patch but on others as well, there will be a need to accommodate older people and other vulnerable people. We need to address that, and local authorities should do that with their strategic housing role.

Let me move on to adaptation and accessibility. I hope that you will forgive me, Mr. Bayley, for speaking about the Housing and Regeneration Bill again, but hon. Members will understand that I have lived with it for 12 months. I have let it go now, but I am going through cold turkey and need to talk about it a little.

One of the first amendments that we discussed—we considered Lords amendments last night—was to clause 2, which deals with the objects of the new Homes and Communities Agency. The agency is charged with improving and increasing the supply of housing in England, regenerating communities in England and having regard to sustainable development in pursuing its objectives. The amendment that came from the other place was that the agency should also have regard to the needs of elderly and disabled persons.

That is an important amendment. It very much chimes with what the Government want: homes that are easily accessible and adaptable, and that meet the lifetime needs of the population. That is very important, and I believe that accessibility will be a condition of grant from the agency when we and others bid to provide social housing.

Mr. Andrew Smith: Will the Minister also keep under review the content of building regulations in this area? They are obviously a means by which general guidance can be enforced to the benefit of disabled people.

Mr. Wright: I have ministerial responsibility for building regulations. They are an interest and a passion of mine, and I want to have a look at them. I shall certainly consider my right hon. Friend's suggestion in the overall general cycle of reviewing them.

On the disabled facilities grant, I was pleased with what hon. Members from both sides of the House said about the changes that we have made. Hon. Members will be aware that the disabled facilities grant is a mandatory entitlement for eligible applicants to help fund adaptations, such as the provision of ramps, door widening, stair-lifts and level access showers. Funding for the disabled facilities grant programme has more than doubled from £57 million in 1997 to £146 million in 2008, and it will rise to £166 million by 2010, an increase of over 30 per cent. That is in recognition of the important role that the grant plays in maintaining disabled people's independence.

We recognise how important this grant is for families with disabled children. In December 2005, we ended means-testing for this group, removing the disincentive to work for parents and ending the delay that is harmful to children's life chances, improving the health of both parents and children. As hon. Members have mentioned, in May we announced a package of measures to modernise and improve the disabled facilities grant programme, including raising the limit on a single grant to £30,000, which had the immediate benefit of helping children with complex needs.

My hon. Friends the Members for Northampton, North and for Blackpool, North and Fleetwood mentioned

[Mr. Iain Wright]

access to gardens, which is an important part of the disabled facilities grant. Previously, that was not an explicit grant condition, but now it is. That change will benefit children in particular by giving them a greater opportunity to play outdoors and helping raise their quality of life.

I acknowledge the point made by my hon. Friend the Member for Northampton, North. Families with disabled children can face greater costs in adapting their properties than are allowed for under the current maximum limit. The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 allows local authorities greater flexibility in providing discretionary assistance for repairs and adaptations. My hon. Friend mentioned that she wished to see the £30,000 cap removed to take into account lifestyle changes as the child gets older and has different needs. I understand where she is coming from, but there is no limit on the number of applications that can be made to the DFG, so if the needs of a child change, as is inevitable, further applications for assistance approved by the local authority will entitle them, again, to a further grant of up to £30,000. That addresses the points raised by my hon. Friend.

Mrs. Humble: I am pleased that the Minister has confirmed that people are able to re-apply. A family with a disabled child, in a case that I took up, went to their local authority to see if they could have a new adaptation because the child was growing, but they were told that they could not. It was only after I had intervened on their behalf that we clarified this point. Again, as hon. Members have mentioned, appropriate information and advice to parents is a key issue.

Mr. Wright: I am pleased that I was able to help to clarify matters. I agree with my hon. Friend that information is key with regard to this issue. We are proud of our record on the disabled facilities grant, but we are not complacent. I recognise that ongoing work is needed further to modernise the programme. Work is going on in the coming year to improve the delivery of the programme, with an overhaul of the means test and application form to help speed up the process. Other changes include the removal of the ring fence to increase flexibility in the provision of adaptations, while continuing to ensure that they are provided by retaining the mandatory nature of the grant.

My Department will continue to work with stakeholders and other Departments in helping to modernise the programme. I should be interested to hear further from stakeholders, including the Every Disabled Child Matters group, about how the programme could be made to work more effectively as part of this ongoing process. I am aware that the Every Disabled Child Matters group is meeting my noble Friend and ministerial colleague, Baroness Andrews, in a couple of weeks to discuss this matter. That is a welcome step. Our aspiration is to see all homes built to lifetime home standards by 2011.

Ms Keeble: Will my hon. Friend deal with overcrowding, which has been a thorny issue for a long time and is a desperate matter for the families concerned?

Mr. Wright: I think that I have time to talk about overcrowding. However, let me first deal with lifetime home standards. My noble Friend Baroness Andrews has been a passionate champion of these standards and she has pushed this agenda through Whitehall to ensure that there is a Government commitment. I pay tribute to her for that.

As this debate has shown, we need to create a more adaptable housing stock to address changes to our population as we get older and with regard to the specific needs of people with young families or disabilities, or both. We are also committed to ensuring that all publicly funded housing will be built to lifetime home standards by 2011. Features that are suitable for elderly people will also benefit many other groups in society, including those with young families and disabled people. We are learning from experience that, if we design solely for the young, some people can be excluded, but if we design with the elderly in mind everybody benefits.

The Housing Corporation and the Homes and Communities Agency, which I mention yet again, is committed to increasing the number of homes built to lifetime homes standards. That commitment is included in its national affordable housing programme 2008-11. It is also committed to including this as a mandatory standard in future programmes.

Local authorities are not obliged to build to the lifetime homes standards. However, a number of draft regional spatial strategies have made reference specifically to considering the needs of disabled and elderly people in developing housing strategies. As a result, local authorities will need to consider carefully how they can meet the need for accessible housing in their area, through measures such as the provision of lifetime homes or wheelchair accessible housing.

I now move on to the third point that my hon. Friend raised regarding overcrowding. I know from the early-day motion on disabled children and housing and the campaign briefing that lack of space is a particular concern. That has been mentioned in today's debate. I am all too aware of the problems that overcrowding can lead to, particularly for children: it can affect their health, their education and their wider well-being; it can leave small children with no room for toys; and it can leave older ones with no space to do homework or play with friends and make them more likely to underachieve at school. We need to do something about this. As hon. Members have mentioned, these issues may be particularly acute for households with disabled members. Therefore we need to ensure that local housing authorities have tangible means of helping overcrowded households to provide real solutions to this very real issue.

Of course, ensuring that new housing developments include larger properties is key to solving overcrowding. We are increasing the national percentage of social rented homes delivered through the affordable housing programme to 30 per cent. in 2008-09, rising to 33 per cent. in 2010-11—that is from a current provision of 25 per cent. That means more family-sized homes with three or more bedrooms, which will help overcrowded households, including those with disabled children, where space for equipment can be a real problem.

Last year, we supported pilot projects in London to demonstrate and test innovative new approaches to tackling overcrowding. To date we have invested more than £35 million in pilot schemes in London, which have successfully developed effective ways of tackling this problem in the capital, where the pressures are particularly acute.

We want to ensure that good practice on reducing overcrowding is disseminated. We used lessons from the pilots in developing our action plan, published last December, which sets out how both local authorities and registered social landlords can manage their existing stock in innovative and proactive ways to address overcrowding. We are investing a further £15 million over the next three years, starting with 38 pathfinder areas that account for over half of overcrowded social tenants. This year, each pathfinder has been allocated £110,000 to develop their own action plans for tackling overcrowding, based on good practice and the innovative approaches developed by the pilots.

I congratulate my hon. Friend on securing this debate and on the manner in which it has been conducted. Every hon. Member who contributed to this debate rightly mentioned constituency matters. We have all had to deal with this matter in relation to cases in our constituency mail boxes. For example, I have tried to help get a house for Mr. and Mrs. Wareing and their severely disabled daughter, Katie.

Building on the work that we have already done in the past 10 years, there are challenges with regard to the disabled facilities grant, in respect of moving forward to ensure that we have the accommodation that this whole country needs and, particularly, with regard to ensuring that we can address the needs, wishes and aspirations of families with disabled children. That is what a Labour Government should be doing.

Solicitors (Conduct)

4 pm

Dr. Vincent Cable (Twickenham) (LD): It is a privilege to introduce one of the last debates before the recess. It relates to an issue that has preoccupied me pretty much since I became an MP 11 years ago. At our weekly surgeries, we all see people with legal problems which those of us who are not legally qualified struggle with. Many involve unhappiness about the treatment provided by solicitors.

To give an idea of the order of magnitude, last year Citizens Advice had 300,000 cases with a legal dimension referred to it, a quarter of which involved the conduct of the solicitors involved. That conduct was not necessarily wrong, but the figures show the magnitude of the problem. I acknowledge that not all the complaints that we hear about solicitors are valid, however strongly expressed. In many cases, people believe that they have been cheated by the legal system, and that may have been so on grounds of common sense or natural justice, but they may have lost on a point of law and find that difficult to accept, particularly as it is so difficult to obtain legal aid funding. We are coming increasingly close to do-it-yourself law with people pursuing their own cases in complex areas and feeling a sense of grievance about the process when they lose. Many people blame their solicitors when the problems lie with the HM Courts Service, judges or elsewhere, but in many cases there is a genuine complaint.

Another qualification that I want to make at the outset is that I recognise that, as with accountants, architects and Members of Parliament, I am sure that the vast majority of solicitors are entirely honest, competent and admirable professionals, but some are not and it is those with whom we are concerned. During the Government's period of office attempts have been made to strengthen the profession's self-regulating processes, particularly that covering solicitors. The Government have been active in that and I am not criticising their approach, but there are some loose ends that I shall refer to.

Citizens Advice sent me a brief for this debate, which is worth quoting. Its considered judgment—it probably hears about more such cases than anyone else—is:

> "We support recent reforms to legal services regulation, and have long argued that consumers…are not sufficiently protected from poor or negligent services by the traditional systems of…self-regulation within the legal profession. Too often we see cases in which clients have been very poorly advised and serviced by their solicitor, and costs have been vastly disproportionate to the issues involved. The consequences of poor conduct by solicitors can be devastating for their clients. Therefore we welcome this debate."

I have just been at a meeting in Committee Room 6 with an organisation called Complaints Against Solicitors, action for Independent Adjudication—CASIA—which was established 13 years ago; I seem to remember that the hon. Member for Great Grimsby (Mr. Mitchell) was actively involved with it. It is a network of people who have had terrible experiences, not just with solicitors, but with the legal system. Many of the people I have just met had appalling stories to tell of ruin caused by negligence or, in some cases, worse treatment by their solicitors.

To provide a perspective on the matter, it may be helpful if I review the continuous process of change that has characterised the legal complaints process.

[Dr. Vincent Cable]

I am not sure what happened before 1997, but I believe that there was something called the Solicitors Complaints Bureau within the Law Society which dealt with complaints. It evolved into the office for the supervision of solicitors, which most of us remember dealing with and which was notorious for delays, evasion and administrative failures. I believe that the Government shared that assessment and were critical of it.

The Minister's predecessor, David Lock, talked about self-regulation of the legal profession as a privilege and not a right, and on the back of that the Government initiated various changes with the Law Society, including establishment of the legal complaints commission—the Office of the Legal Service Complaints Commissioner—and, in 2006, the splitting of the various regulatory processes within the legal profession, one branch leading to the Solicitors Regulation Authority and another leading to the legal complaints commission, which is interrelated with an ombudsman, who happens to be the same individual as the legal complaints commissioner. In 2010 and 2011, we shall move into a new environment in which there will be an overarching Legal Services Board split into two subsidiary roles—the SRA and the Office of Legal Complaints, which will have the OLSCC and the ombudsman folded into it. Merely reciting that list of organisations indicates a rapid and continuous process of organisational flux, which may have been necessary, but has been enormously confusing to people pursuing long and complex complaints.

To evaluate where the matter is heading, it is worth quoting *Which?* The Consumers Association acknowledges that in the past few years, the changes have

> "meant that since 2006 the LCS has much improved, while the SRA has made much of its independence".

Clearly, there has been action, and there is statistical evidence that the SRA has been striking off or suspending more solicitors. The number rose from 32 to 45 between 2006 and 2007, but the OLSCC fined the Legal Complaints Service for an inadequate plan.

I have two questions for the Minister. Will the OLSCC, which has established itself as a genuinely independent and often outspoken voice for consumers, continue to have oversight of the arrangements until the new set of institutions comes into effect in two years? My second question concerns a point that the consumer bodies are anxious to pursue. What is the Government's position on the proposal that complaints data should be published? It is obviously important that when someone approaches a new solicitor they have some indication of that solicitor's past record and whether complaints have been upheld. Consumer groups are anxious that there should be full and transparent publication. I know that the Law Society is going out to consultation, but do the Government have a view, and are they actively promoting it?

Before coming to my two key issues, I must digress a little into a case that has established my interest in the matter. I do not want to go too far into the details of a complex case that goes back over a number of years, but I shall give the background. It relates to one of my constituents, Dr. Oraki, who is Iranian by origin, with whom I first became involved when she was fighting a compensation claim over a post office that was closing in Whitton in my constituency. We eventually secured compensation, largely due to the intervention of the National Federation of SubPostmasters and me, but during the course of the battle, she sought legal advice from a firm called Dean and Dean. Its senior partner was Mr. Tehrani, and Mr. Mireskandari was a trainee solicitor. They provided her with legal services on a subsidiary issue relating to the tenancy of the property and the landlord, which was described as a fairly simple matter. Dr. Oraki entered a fixed-fee arrangement for £1,000, but something went wrong in court. I was not there, but the solicitor probably did not secure the result that Dr. Oraki wanted and there was a good deal of frustration.

Some time later, the solicitor presented a bill for more than £19,000, which has become a cause célèbre within the legal complaints process. My constituent alleged two serious failings, one of which was breach of professional care or client care, and was subsequently admitted in court—I cannot comment on whether that was correct, but that was the allegation. The second, more seriously, was that one of the gentlemen involved, Mr. Mireskandari, had charged a full fee as a fully qualified solicitor when he was an assistant trainee. My constituent went to considerable lengths to demonstrate that he was not fully qualified at the time.

On the basis of her allegations, my constituent refused to pay the bill. The matter was referred to the legal complaints process, and she sought action in respect of professional negligence. However, in the course of that prolonged dispute, the solicitor threatened her with bankruptcy and the initiation of bankruptcy proceedings. She was advised—including by me—that bankruptcy is not a good place to be, even if one happens to be in the right. She therefore offered to pay the outstanding bill, but that was refused. She offered a second time with witnesses present and the solicitor refused to accept it again, and insisted on taking her to the bankruptcy court. She was a solvent—indeed highly solvent—bankrupt, but nevertheless she was made bankrupt and has been so now for three years while the legal complaints processes have rattled through the system. She has gone backwards and forwards between the Legal Complaints Service—

Hugh Bayley (in the Chair): Order. I obviously do not know the outcome of the story that the hon. Gentleman is telling, but if it is a matter that is still before the courts, I should remind him that the sub judice rule prevents it being discussed on the Floor of Westminster Hall.

Dr. Cable: I do not think it is before the courts any longer, Mr. Bayley, but I accept your ruling. In any event, I do not wish to proceed with providing more details of the case; I simply want to extract two generic public policy issues from the matter and to do that I felt that I needed to provide the background to the case.

The first public policy issue is whether it is right and proper that solicitors should be able to use bankruptcy as a means of pursuing a financial claim with their clients. I have written on that subject to the Solicitor-General, who has sent me a thorough and helpful reply. I do not fully agree with it, but at least she has set out the Government's case. Her argument is that solicitors should be able to pursue a bankruptcy case just like anyone else. However, there is an obvious problem in that there is an asymmetry of knowledge. A solicitor clearly has access to much more sophisticated legal information and knows the court procedures and staff, which means it is clearly a highly one-sided encounter.

The Solicitor-General also said that my constituent could get another lawyer to defend her in the process. The problem with that is that when someone has become bankrupt and their assets are in a trusteeship, no solicitor will take on the case. Indeed, there is a great deal of reluctance to do so—not just by her, but by others. I have come across several other cases of this kind where it has become virtually impossible for people to defend themselves effectively when a solicitor—especially a powerful solicitor—takes bankruptcy proceedings against them.

I wish to ask a fairly open-ended question: is it possible to explore with the Law Society a mechanism whereby solicitors can pursue legitimate financial claims? Of course, like any other business, they must be able to do so—I am not suggesting otherwise—but it should be done in a way that prevents possible conflicts of interest and unfairness. Let me make an analogy. The situation is a bit like a dispute at a private school in which a pupil has not paid their fees because their parents will not pay them. The parents might be right or they might be wrong, but instead of simply resorting to expulsion the head teacher of the school decides to administer corporal punishment to the pupil. There is an element of that situation in this sort of treatment, so I ask the Government to think about that.

Finally, the second very important issue that I wish to raise—the other issues are important to the individuals concerned, but this is an important matter of public policy—is whether the legal authorities have sovereign immunity. In the past few days, it has been announced in the newspapers that the solicitor to whom I referred—Mr. Mireskandari—is issuing a £10 million defamation claim against the head of the Solicitors Regulation Authority. That was announced in the newspapers. Although I am not familiar with the individual case and cannot comment on it, I wish to ask the Minister whether the head of that organisation enjoys legal immunity from that or any other source.

That is a public policy issue for the following reason. If the head of that body does not enjoy legal immunity, how can we be fully confident that he can do his job in the way he is required to? Imagine what would happen if the head of Ofgem could be sued by a gas company that was angry because an inquiry was being pursued. That would be an analogous problem. Are the head of the legal regulatory body and his staff protected by legal immunity?

The same question extends to the legal services ombudsman; does it enjoy legal immunity? I am sure that the Minister understands the problem. If a powerful solicitor feels threatened by an inquiry and they feel that they have the right to issue legal proceedings against the head of the regulatory body, it is difficult to see how the integrity of the system and public confidence in it can be maintained. I am not a lawyer, but I am essentially asking the Minister about a matter of fact: are the organisations that she has quite properly established to protect the public themselves protected from legal claims?

4.15 pm

The Parliamentary Under-Secretary of State for Justice (Bridget Prentice): It is normal to congratulate the Member who has secured the debate, although I am not sure whether the congratulations will be particularly enthusiastic at the end of this part of the parliamentary Session. However, I am grateful that the hon. Member for Twickenham (Dr. Cable) has initiated a debate on the conduct of solicitors because it is something that is very dear to my heart, particularly as I recently took the Legal Services Act 2007 through the House. I will come back to the Act in a moment.

It is important to recognise that almost everyone at some point in their life will have to use legal services of one sort of another. It could be a relatively straightforward thing, such as taking an oath, or something more complicated, such as buying a house, getting divorced or dealing with matters after the death of a family member. Often, when an individual—the consumer or customer—has to take legal advice from solicitors, they are at a vulnerable stage in their life. It is, therefore, paramount that solicitors give individuals confidence in the standing of their firm and the services they provide.

It is equally important that if things go wrong—as inevitably they sometimes do— the complaint is taken seriously. Consumers need to know exactly where to take their complaint about poor service or the conduct of their solicitor, both now and in the future. As the hon. Member for Twickenham said, the legal profession is independent and self-regulating. The process for dealing with complaints is provided by and for solicitors—by the legal profession.

The hon. Gentleman gave a brief and succinct outline of the stages through which we have come in dealing with complaints against the legal profession. The fact is that 10 years or so ago, a complaint against the legal profession was almost a waste of time—the profession did not take complaints seriously, and often ignored them and brushed them under the carpet. The profession certainly did not respond sensitively to consumers.

Since then, we have come a long way. It has been an arduous process, and I put it on record that I am grateful to the Law Society and to the Solicitors Regulation Authority. They have come to recognise that the type of behaviour that was prevalent in the past is no longer acceptable, and that the consumer must have confidence both in the behaviour of the solicitor initially and in the complaints system if a solicitor falls down during the process. In fact, the Legal Complaints Service handles a fairly large number of complaints. The most recent statistics show that it received 1,159 new complaints about poor service and closed, or dealt with, another 1,200 or so—indeed, it dealt with them within three months of receiving the complaint. It has improved its services in that respect.

The hon. Gentleman talked about the SRA, which is the regulatory arm of the Law Society. It is now split from the policy arm of the Law Society. It was appropriate that the Law Society was not seen to be acting as trade union and regulator, as it had been. That has made a big difference to the way that complaints are handled.

There is a code of conduct, which sets out the behaviour that solicitors should abide by and what is expected of them in their dealings with consumers. Rule 1 of the code states that solicitors must act in the best interests of the client. It might be of interest to the hon. Gentleman to know that under rule 2, there are provisions relating to client care and information about costs. Those rules are in place to ensure that the solicitor gives the client all necessary information so that they can make proper decisions about if and how the matter should proceed.

[Bridget Prentice]

A consumer might decide because of the cost that it would not be appropriate to take the action further. The rules are approved by the Secretary of State and any changes receive a high level of scrutiny. The impact on the consumer is considered before the rules are approved.

The SRA is responsible for taking action against any solicitor who breaches the code of conduct. Once an allegation of misconduct has been investigated, the SRA has the power to take disciplinary action if it considers that a solicitor has been in breach. In the 12 months before April this year, the conduct investigation unit of the SRA concluded investigations into 4,875 cases. That is a staggering number of individuals who felt that they had not been best served by their solicitors. As the hon. Gentleman said, we see people in our surgeries who do not think that their solicitor has served them well. Sometimes that is because it is hard for people to accept that the answer to their question is no, but on other occasions it is because they have not been well served. Of the 4,875 cases, 141 were referred to the solicitors disciplinary tribunal and 63 orders were made to strike solicitors off the register, which is the ultimate sanction.

If consumers are unhappy about how a complaint has been dealt with by the LCS or the SRA, they can refer the matter to the legal services ombudsman. The hon. Gentleman will know that the ombudsman takes her job seriously and keeps a strict eye on the Law Society and the SRA. Her latest annual report displayed concern about poor decision making in individual cases, although she recognised that the time taken to deal with complaints was decreasing. I am pleased to see that improvement, but there are still problems. There are cases in which the conduct of solicitors has been called into question and it often appears to the consumer that no action has been taken. However, it must be remembered that the SRA investigation process can involve a great deal of work, so it may be some time before the complaint is resolved.

I will answer the hon. Gentleman's two questions and then return briefly to the future system under the Legal Services Act 2007. He mentioned Citizens Advice and *Which*? and I put on the record my thanks to both organisations for working extraordinarily closely with us when we were drafting the 2007 Act. I took seriously their advice about ensuring that the consumer was at the heart of the new system. As a result, the Act will allow the consumer to feel that their voice will be heard loud and clear.

The hon. Gentleman asked about a particular bankruptcy case. I shall obey your strictures, Mr. Bayley, and not refer to that case. I will take on board the hon. Gentleman's question and speak to the Law Society about whether there is a more appropriate way for solicitors to deal with their clients. However, solicitors, like all businesses, must be able to receive their fees when appropriate. I will ask the Law Society to consider whether there are other ways to deal with that issue. In a bankruptcy court it would be for the court, rather than the solicitors, to decide whether the bankruptcy should go ahead. The court should take all issues into account, including whether the consumer felt that they had received the service they expected. Under the 2007 Act, a new office for legal complaints will be established, which will have a lay chair and a lay majority to ensure that the consumer's voice is heard.

The hon. Gentleman asked whether the SRA, its chief executive or the ombudsman have immunity. They do not enjoy any statutory legal immunity. They enjoy protection from civil liability and criminal prosecution to the extent that is determined by the usual principles of law.

It is important that the public know that they can trust solicitors, barristers and others in the legal profession, and they must know where to go if things go wrong. There have been justified criticisms of the current complaints system. One need only look at the matter of miners' compensation to see some of the issues that have arisen. I hope that the framework we have put in place in the 2007 Act and the work that the SRA is doing on listening to consumers to inform its policies will provide the public with the high level of service that they deserve.

The hon. Gentleman asked whether issues raised by the SRA could be published. I will ask the body whether it has considered publicising any of the issues that have arisen in the course of dealing with the complaints of individuals, because it will be for the SRA to take that decision.

I appreciate the opportunity to highlight the changes that we are making through the 2007 Act. I will take on board the issues raised by the hon. Gentleman and ask the Law Society and, if necessary, the SRA to look at them and come back to me. I will advise him as soon as possible of any other changes that may be made to put consumers at the heart of the legal system.

Hugh Bayley (in the Chair): Following the intervention made earlier by the hon. Member for Kettering (Mr. Hollobone), I can tell him that we are now able to debate in this Chamber in a quieter environment. We now come to a near perfect subject for the final Westminster Hall debate before the summer recess: provision for allotments.

Allotments

4.30 pm

Ben Chapman (Wirral, South) (Lab): I am pleased to have secured this debate, Mr. Bayley, and I am privileged to serve under your chairmanship.

This is the second debate that I have held on the subject, the first being in 2004. I spoke then of the virtues of allotments and lamented the decline in their number. Although allotments can be owned privately by individuals or charities, or let by companies such as Railtrack or Network Rail, most are owned and let by local authorities. The vast majority of allotments fall into that category, so for the most part I shall dwell on the legislation and administration that governs that sort of allotment.

In the brief time available, I want to take stock of developments since the 2004 debate and note the unfortunate lack of progress since then. In my opinion, the benefits that allotments bring to individuals and communities cannot be overstated. I have spoken to many allotment holders in Wirral, and they all point to the physical benefits, and, interestingly, the mental benefits, of working on an allotment. Growing one's own vegetables and fruit is relatively cheap, and it is a distinct advantage for those who are feeling the pinch of economic pressures. It is also good for those who want to contribute to biodiversity.

Stephen Hesford (Wirral, West) (Lab) *rose—*

Ben Chapman: I give way to my hon. Friend and neighbour.

Stephen Hesford: I am grateful to my hon. Friend for giving way. He is a doughty fighter on this subject, and I commend him for the work that he has done. He is indeed my neighbour on the west of Wirral.

Is it not the case that in the western world there is a lack of allotment provision? That is a great frustration for our constituents. Will it be part of my hon. Friend's submission that councils should be urged to do more to even out the provision of allotments across boroughs such as ours?

Ben Chapman: It is a pleasure to have my hon. Friend's support, particularly in this context. I endorse all that he says. I shall cover those points, but it is true that in our part of the world—in west Wirral—there are no allotments, and there are waiting lists throughout the borough.

Allotments are a good place to source organic products. They are minus the food miles and the carbon footprint, and they have recently become more fashionable and vital. They are set to become ever more popular, and more of an imperative among a broader range of people in the light of rising food prices. Many plot holders have told me that increasingly diverse groups now use or hope to use allotments. It is not simply a hobby for retired men, as the stereotype used to be.

The September 2006 publication "Growing in the Community", commissioned by the Local Government Association, stated that

> "allotments have a distinctive contribution to make to the achievement of social inclusion at local levels, as communities of interest bring in a wide range of people, including people from different gardening traditions and cultures, together for a common purpose".

In practice, that seems increasingly to be the case.

Gardening in one's own space brings feelings of satisfaction and tranquillity, with the opportunity to chat to fellow plot holders. Indeed, the more indirect advantages of working on an allotment have been exploited by some local mental health charities. They run various allotment schemes, including one run by the Restore charity in Oxford. I am told that it cultivates an allotment site of two acres outside the city centre in Cowley, where people grow fruit, vegetables, flowers and willow.

Children who have the opportunity to work on an allotment gain a wealth of outdoor experience and knowledge about growing fresh produce, and about nutrition. Their work on allotments contributes to solving the problems of childhood obesity. One might presume that such children are more incentivised to eat their greens if they grow the greens themselves.

There is much evidence to suggest that allotments are rising in popularity. More than 30 books on allotments have been published since 2001, and waiting lists for allotments grow ever longer. According to statistics provided by the National Society for Allotment and Leisure Gardeners, 51 of Bolton's 61 allotment sites have reached full capacity, and all the others are close to full. If that information is indicative of what is happening in other areas of the country, it suggests that allotments are hugely popular, and in demand.

In Wirral, it is thought that about 400 people are on waiting lists. I repeat that in the west of Wirral there are no allotments. In Blyth Valley, there are approximately 900 plots, but in 2007 there were 850 people on the waiting list. In Yorkshire, six towns have a combined waiting list of more than 3,500 people. In many areas, including York—although you might know better, Mr. Bayley—Medway, Peterborough, Solihull and Worcester, to name but a few, waiting lists have increased considerably over the past few years. In some places, people have been waiting for more than seven years.

Mr. Andrew Pelling (Croydon, Central) (Con): In Croydon, only 200 people are on the waiting list, but the list is closed. In some cases, the numbers greatly underestimate the demand for allotment provision.

Ben Chapman: Absolutely. That situation will apply in many other parts of the country. We may be looking at an even bigger problem than I have outlined.

Jeremy Corbyn (Islington, North) (Lab): I thank my hon. Friend for giving way. I should declare an interest: I am the holder of an allotment plot in east Finchley, near my constituency.

Is my hon. Friend aware that, especially in London, there is huge pressure from developers and local authorities falsely to reduce the demand for allotments, selling them off to ensure that they become building land, whereas in truth they should be doing their best to ensure that every new development includes some allotment space, particularly in densely built-up urban areas? That would increase the number of allotment spaces, not reduce them. It seems that the number is reducing at a time when demand is rising fast.

Ben Chapman: I agree. Indeed, I was the sponsor of a ten-minute Bill that addressed that very point.

I hope that I have established today, as I did in my speech in 2004, that allotments are a good thing. They are increasingly popular, more so than in 2004. In principle, we should encourage people to rent and use them and benefit from them. Why are there still not enough?

The 1998 report on allotments by the Environment, Transport and Regional Affairs Committee concluded that

> "the Government should issue a Green Paper as soon as is practicable...and develop a consolidating piece of legislation".

That has not been done. The Committee also said:

> "The Government should aim to introduce the resulting Bill within the lifetime of this Parliament."

That was 10 years ago. Sadly, there is much evidence to suggest that almost no progress has been made.

In 2004, I asked for specific, simple improvements that would not require legislation. I asked for greater protection for allotments from development, the point made by my hon. Friend the Member for Islington, North (Jeremy Corbyn). In the absence of Government-led initiatives, I sponsored a ten-minute Bill that attempted to address that question. It received considerable support from Back Benchers. I also asked for better security measures, yet allotment holders in my constituency tell me of their struggle against persistent and ongoing attacks of vandalism on their sites.

Ms Dari Taylor (Stockton, South) (Lab): I am most grateful to my hon. Friend for giving way. In securing this debate, he has inspired my constituents. Christopher Martin of Thornaby asked me specifically and purposefully to attend. He is pleased that we are debating the matter.

It is fortuitous that I am speaking, because Stockton borough council seems to be an exception to the rule. It has invested more than £100,000, which means that allotments are secure and their pathways are infinitely improved. We have only 200 plots, and 60 people are on the waiting list. There is great demand, and I am delighted that my hon. Friend is making such a powerful case. I look forward to hearing what the Minister has to say in response, because if the Government were to be slightly more generous in their grant-related expenditure or their standard assessments, local authorities could be much more positive. I hope that my hon. Friend accepts that.

Ben Chapman: Indeed. I hope and pray that all councils will follow Stockton's example, no doubt encouraged by the efforts of my hon. Friend.

As I said, vandalism continues, and allotment holders perceive a lack of response—that councils are not introducing measures against it. In 2004, I asked for a big push on the promotion of allotments. The fact that the issue was discussed at length in "Growing in the Community" suggests that it has not yet been fully addressed. I asked for more investment in plots to provide facilities such as a regular water supply and toilets in order to broaden the range of people, especially women, able to spend time at allotment plots. However, Wirral's allotment societies have not been offered a significant regular increase in what I regard as the pitiful amount of funding that the councils give for the purpose.

I suspect that the situation is the same elsewhere. I asked for more plots, but we have ever-longer waiting lists. Any increase in plots has not been synchronised with demand. Four years after my original debate, I find myself asking for the same provision, which is not good enough.

Let me give another example from my constituency, which I imagine applies equally to that of my hon. Friend the Member for Wirral, West (Stephen Hesford), to illustrate what allotment holders and societies are up against. The council has published an allotment strategy, complete with plans to prevent vandalism and provide toilet facilities where possible, but there is little evidence that it is being implemented, or that it will be. The council's view is that it cannot allocate resources until it knows the full picture, but that will happen only when the necessary research is conducted, and nothing much is happening in the interim. My constituents tell me that the council is not fulfilling its responsibilities to market and provide allotment usage in any form, and that there is little knowledge about allotment provision.

It has been suggested that the council's long-term strategy is to encourage self-management of sites, including funding, through allotment societies, which should apply to the lottery and other sources. Only allotment sites that have formed societies can avail themselves of grant funding, and a committee has to be formed and a bank account opened before funds can be applied for and released. At least 16 sites in Wirral have not formed allotment societies. It seems to me that the council, like others, is trying to shift the burden of responsibility to the allotment societies, by giving them the burdens of management and funding. Frankly, allotments seem to be near the bottom of the council's list of priorities. In essence, the process of amelioration, if it happens at all, is slow, and slower than it should be. I believe that my area is not an exception, but a reflection of what is happening in the rest of the country.

What are the causes of this disappointing lack of progress? Principally, there is a lack of reliable national data on unmet demand for allotments. If we do not have a clear picture of national demand, how can we take appropriate action? The last review of the issue was carried out by the Office of the Deputy Prime Minister in 2004-05, but the returns have not yet been analysed, so we are none the wiser. The most reliable statistics we have are from the Environment, Transport and Regional Affairs Committee report of 1998. The data show that in 1943 there were 1.4 million allotments and only 300,000 in 1996. Worryingly, we have no evidence to suggest that numbers of allotments have not plummeted further. There is certainly no evidence from my own constituency or from research that I have conducted that there has been a widespread, consistent attempt by local authorities to provide new allotments to keep up with demand.

I have asked a large number of parliamentary questions on the subject of allotments in the past five years. More than half the answers to those questions stress the fact that local authorities rather than the Government have a duty to provide allotments according to local need. However, I think that the Government have responsibilities, too. I appreciate that the green spaces database has now been launched, which will in time give us the information for which we have waited so long. I welcome that, but it will not help to bring back the allotments that have already been lost. Indeed, some would argue it is too little, too late—I argue that it is too token.

The other major cause of a distinct lack of adequate allotment provision is the legislation. The Smallholdings and Allotments Act 1908 contains a mandatory obligation on the municipal authority to provide and let allotments, but the obligation is not bound by any period of time, thus in effect absolving the authority from the responsibility to look for suitable land. No realistic sanctions can be brought against a recalcitrant authority, apart from an action before the county court on the basis that it is in breach of its statutory duty. Generally, would-be allotment holders are unable to go to such expense or take such risks simply to prove a point. Where local authorities seem to be matching demand, the standard 300 sq yd plot is being subdivided. As such, the figures are somewhat misleading, but the plots are less useful for growing food, as that requires more space.

There are many competing factors where local authority land is concerned, not least potentially lucrative buildings, to which my hon. Friend the Member for Islington, North referred. Councils, including Wirral, find it difficult to provide money for allotments, but they do not necessarily find it difficult to find money for other things.

The problem can and should be remedied. Current legislation could be changed to put time limits on a municipal authority in which they must provide and let allotments. There should be sanctions to deter non-achievement of such objectives. The word “sufficient”, which is always used in regard to the requirement on local authorities to provide allotments, is wet and open to whatever interpretation a council may choose. Generally speaking, “sufficient”, to the layman, means, simply, “insufficient”.

Mr. Philip Hollobone (Kettering) (Con): I thought that I would come along to support the hon. Gentleman today, and I would very much like to commend his words on behalf of my constituents. I think he has made an excellent contribution.

Ben Chapman: I am grateful to the hon. Gentleman—his remarks are much appreciated.

I understand that the Department for Communities and Local Government—no doubt the Minister will tell us about this when he responds—has already put out to tender a contract for work advising on how it can maximise allotment potential. That is good news, but there is no point looking into allotment potential if there is little scope for using such potential. Other issues, such as the upkeep and promotion of allotments, need to be addressed. Local authorities are used to being set targets in other areas, and I see no reason why targets for allotment provision and facilities cannot be introduced. As it is, local authorities, rather than Government, respond to local demand for allotments, and they should be encouraged to develop their own allotments strategy. To make that manifest, enough provision must be made in budgets. That can only be achieved with effective and rigorous backing and monitoring from Government.

Ultimately, my main message is that there needs to be a sense of urgency regarding allotment provision. As I mentioned in the first part of my speech, and in 2004, allotments make many positive contributions to people's lives and communities. There is enormous scope for joined-up government, incorporating objectives from different Departments, from health to biodiversity and education, and social interaction and cohesion within communities. That the Government have up until this point failed to capitalise on what allotments have to offer shows a failure of drive and imagination. The launch of one database here and a stand-alone publication there is not enough. We must do better. Allotment provision provides a big bang for a relatively modest buck. Let us ensure that it happens. The sad paradox of increasing demand and decreasing opportunity should not be allowed to continue.

4.47 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (Mr. Iain Wright): I congratulate my hon. Friend the Member for Wirral, South (Ben Chapman) on raising this important and increasingly relevant debate on provision for allotments. I agree wholeheartedly that allotments are valuable green spaces and that they provide many great benefits for communities. As he mentioned in his excellent contribution, they provide opportunities for people to exercise, socialise and, more importantly, to grow their own produce, which has an impact on carbon footprints.

My hon. Friend will be aware that interest in allotments has undergone a recent revival in line with current thinking on healthy eating, organic food, exercise and reducing carbon footprints and—let me be blunt—the rising food prices that we have seen in the past few months mean that allotments will be increasingly important to communities. We should welcome that and embrace it as much as possible.

For many years, the Government have recognised the importance of allotments. The provision of allotments and their protection is set out in statute and departmental guidance. It is clear—I say this especially because we are pushing for matters to be decided as locally as practicably possible—that the provision of allotments should be the responsibility of local authorities.

Section 23 of the Smallholdings and Allotments Act 1908, as amended, places a duty on local authorities, except for inner-London boroughs, to provide allotments where they consider that there is a demand. If a local authority is of the opinion that there is such a demand, it is required to provide a sufficient number of allotments for letting to those residing in the area who want them.

Jeremy Corbyn: That is a very important point. Inner-London boroughs are not required to provide allotments in the same way as other local authorities, but the corollary to that ought to be that the outer-London boroughs take into account the demand of people from inner London to get allotments in outer-London boroughs. As far as I am aware, none of them currently does that. That means that people living in inner-London boroughs who could benefit from allotments often find them almost impossible to get.

Mr. Wright: My hon. Friend raises an important point. I shall contact London Councils to find out whether there is strategic, joined-up thinking about the provision of allotments in the capital. I am keen to help him in that regard.

[Mr. Iain Wright]

Importantly, communities can and should influence the provision of allotments in their areas. Written representations on the need for allotments can be made to a local authority by any six resident registered electors or persons liable to pay council tax, and under section 23(2) of the 1908 Act, the local authority must take those representations into account. The council must assess whether there is demand for allotments in its area. If it decides that there is, it has a statutory duty under that Act to provide a sufficient number of plots.

Ben Chapman: That is the problem—"sufficient" can be defined in a variety of ways. Although councils are required to take account of representations, they are not required to actually do anything about them.

Mr. Wright: I shall mention community empowerment later, and this is a good example of a matter on which a community can hold its local authority to account by lobbying, petitioning or whatever. As we suggest in the community empowerment White Paper, there is an increasingly relevant need for allotments to be provided.

I turn to departmental guidance on open spaces, which helps to support the legal framework that I have mentioned. My hon. Friend will know that through planning policy guidance note 17, "Planning for open space, sport and recreation", and planning policy statement 3, "Housing", the planning system provides a robust framework for the protection and provision of all types of open space, including allotments. PPG17 advises local authorities to make provision for all types of public open space and states that they are expected to undertake robust assessments of local needs and audits of existing open space, and to establish standards for new provision.

Using that information, local authorities should plan to meet the future needs of their population, such as those linked to new housing developments, and can include provision standards in their development plan. PPS3 states that local planning authorities should have clear policies for the protection and creation of open space. New housing developments should incorporate sufficient provision—there is that word again, I am afraid—if such spaces are not already adequately provided within easy access of the new housing.

That is an important point, because as Housing Minister I am keen to ensure that we have more homes for the population of this country. However, I am equally aware that gardens may be smaller than they were a century ago, and that there might not be scope to have a vegetable patch in one's garden, as people of previous generations might have had. As part of a coherent strategy for the building of new development, it is important that sufficient consideration be given to the provision of allotments and open space in general. I am passionate about ensuring that that happens.

Under section 106 of the Town and Country Planning Act 1990, it is possible for local planning authorities to negotiate agreements to provide allotments with developers before granting planning permission. Research conducted in 2003-04 by the university of Sheffield shows that 20 planning obligations to secure developer contributions for allotments had been recorded by the local planning authorities that responded to the survey, which represented about a third of all local authorities. Of those contributions, 19 were financial payments worth some £130,000. Those data show a reasonable use of planning obligations to secure developer contributions for allotments.

Ms Dari Taylor: We all know about PPG17 and the 1908 Act, and we know that planning gain should reflect that guidance, but the fact is that there are 200 allotments in Thornaby and 60 people waiting. The chances are that they will wait for ever. Other Members do not have allotments in their constituencies at all. We need something more than the current legislation if we are to secure the type and number of allotments that we require.

Mr. Wright: I am grateful to my hon. Friend for her passionate criticism. As a north-eastern MP, I am very frightened of her and concerned to address her concerns. She makes an important point.

Yesterday my noble Friend Baroness Andrews met the hon. Member for Banbury (Tony Baldry), who promoted the ten-minute Bill that my hon. Friend the Member for Wirral, South mentioned, to discuss precisely that issue. I understand that their discussion focused on what action could be taken to ensure that local authorities are aware of both the benefits to local communities and their duties in the legislative and planning framework. That important work will be undertaken by a green space organisation once a grant has been awarded, and it will involve supporting a dialogue between the Local Government Association and key allotment organisations to decide how best to support local authorities and link up with wider agendas such as health and education. It is important that we put a rocket up local authorities to ensure that that takes place and that the concerns that have been clearly articulated today are addressed.

However, our legislation is strong and provides for the protection of allotments, which is a unique protection. Section 8 of the Allotments Act 1925, reinforced by planning guidance, states that allotments cannot be treated as previously developed land. That might seem a technical matter, but in practice it makes it very difficult for them to be disposed of or built on. A council can dispose of an allotment only in exceptional circumstances and if it can fully justify to the Secretary of State that there is a need for a change of use, against extremely robust criteria.

In 2002, we sought to strengthen the existing protections. In 1998, a Select Committee inquiry on allotments concluded that the criteria for assessing allotment disposals were too weak. As a consequence, we strengthened the criteria for the disposal of statutory allotments. As I said, they were reinforced by PPG17. The purpose of that was to ensure that the community's need for the allotments in question would be taken into account and that they were considered surplus to need. My hon. Friend the Member for Wirral, South mentioned the difference between the number of allotments in 1943 and now, but that change has meant that the loss of allotments has decelerated. That is welcome, but of course we need to turn the curve and ensure that more allotments are provided.

The key is to ensure that allotments are there for those who want them and that they are properly protected and managed. Responsibility for that lies with local authorities, but central Government remain incredibly interested. We have taken a number of actions in the past 12 months to reinforce our commitment to allotments. For example, we published in June 2007 revised guidance for plot holders, "Allotments: a plotholder's guide," to ensure that they know their rights.

In the past year we have also worked closely with the LGA to produce a second edition of "Growing in the community", which was launched in March 2008. That updated guide reflects the significant developments in the allotment movement since 2001 and contains some excellent examples of current good practice, showing innovative use of allotments that has benefited all sections of the community and highlighting their importance in promoting health, community engagement and community cohesion. It also includes a section on allotment provision, an up-to-date policy framework, a guide to legislation and examples of good practice affecting allotments. The LGA has sent a free copy to each local authority, and we hope that it will help local authorities to make full use of the legislative programme and the protection afforded to allotments.

We are working closely with organisations with an interest in allotments to consider a point that my hon. Friend mentioned: how to engage more effectively with local authorities to ensure that they are clear about their responsibilities under legislation and planning guidance. We will offer clarification through the revised good practice guidance.

Allotments are an incredibly important matter, and one in which I am passionately interested. I am quite keen to get an allotment myself, because I am interested in the health benefits—they are sadly needed, as hon. Members will see—and in people growing their own produce. That is important, and I would like to encourage it as much as possible. Members have expressed the view that allotments provide great positive benefits for the community in healthy living, active ageing, community cohesion, combating climate change and protecting and enhancing community empowerment. That should be recognised in local authorities' development plans and enforced as much as possible.

The sitting having continued for two and a half hours after half-past Two o'clock, it was adjourned without Question put.

Adjourned accordingly at Five o'clock.